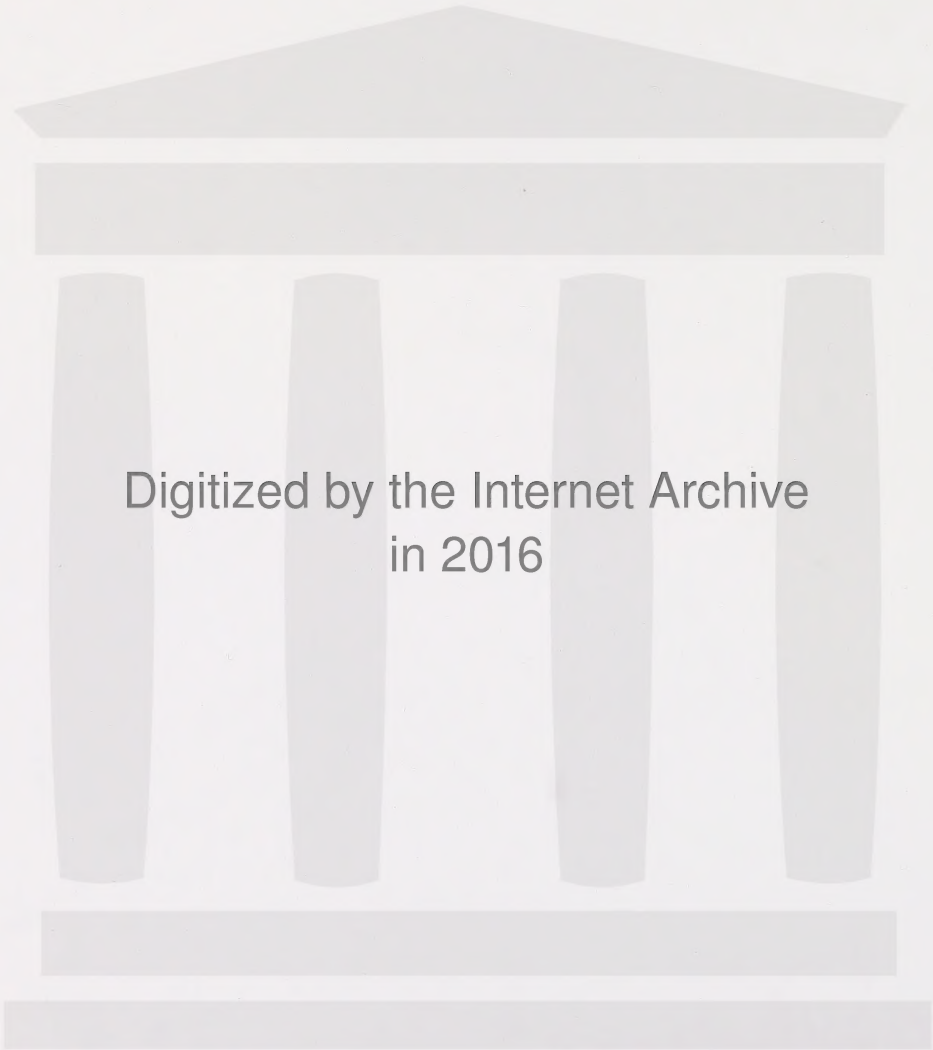
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ALBERTA JUSTICE

ANNUAL REPORT

1997-1998

Alberta
JUSTICE

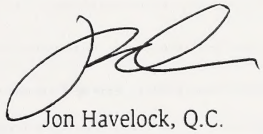

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Accountability Statement

ANNUAL REPORT 1997-1998

The ministry's annual report for the year ended March 31, 1998, was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as of May 22, 1998, with material economic or fiscal implications of which I am aware, have been considered in the preparation of this report.



Jon Havelock, Q.C.
Minister of Justice
and Attorney General

May 22, 1998

Table of Contents

ANNUAL REPORT
1997-1998

Preface 5
A Message from the Minister 6
Management's Responsibility for Reporting 7
A Message from the Deputy Minister 8
Report of the Auditor General 9
Ministry Overview 10
Boards, Agencies and Committees 12
Department of Justice 14
Results Analysis 19
Goals and Measures 19
Strategies, Initiatives and Accomplishments 27
Methodology 45
Index of Government Agencies, Funds and Reporting Entities 49
Financial Statements 53
Ministry of Justice Financial Statements 55
Department of Justice Financial Statements 77
Victims of Crime Fund (Formerly Victims' Programs Assistance Fund) 109

Preface

ANNUAL REPORT 1997-1998

The Public Accounts of Alberta are prepared in accordance with the *Financial Administration Act* and the *Government Accountability Act*. The Public Accounts consist of the annual report of the Province of Alberta and the annual reports of each of the 18 ministries. Commencing this fiscal year, ministry annual reports required under the Government Accountability Act replace volumes 2, 3 and 4 of the Public Accounts prepared in previous years.

The annual report of the Province of Alberta contains the consolidated financial statements of the province and a comparison of the actual performance results to desired results set out in the government's business plan, including a message from the Provincial Treasurer. The province's audited consolidated financial statements include the accounts of government entities consisting of departments (all departments combined from the General Revenue Fund), revolving funds, the Alberta Heritage Savings Trust Fund and other regulated funds, provincial agencies and Crown-controlled corporations.

The annual report of the Ministry of Justice contains the audited consolidated financial statements of the ministry and a comparison of actual performance results to desired results set out in the ministry's business plan, including a message from the minister. The ministry's audited consolidated financial statements include the accounts of the Department of Justice and the Victims of Crime Fund for which the minister is responsible. The financial statements of each of these component entities of the ministry are also included in this annual report.

This annual report includes, either as a separate report or as a part of financial statements, the reports or statements prepared pursuant to the *Financial Administration Act*, to the extent that the ministry has anything to report. A summary of expenditures under each appropriation in the ministry, as required by the *Government Accountability Act*, is included in the financial statements of the department.

A Message from the Minister

ANNUAL REPORT 1997-1998

The Ministry of Justice seeks to ensure equality and fairness in the administration of justice throughout the province. The department's five business functions–policing, prosecution and trial, sanctions, legal services and social programs–build on previous justice initiatives and support the Government of Alberta's three core businesses: people, prosperity and preservation.

To support the ministry's business functions, six key goals were addressed in the 1997/1998 to 1999/2000 Business Plan. The six key goals are:

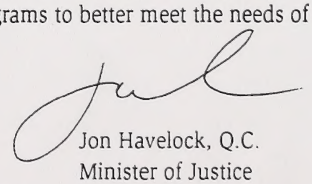
- maintain law and order in Alberta communities.
- conduct criminal and civil proceedings in a fair and effective manner.
- carry out sentences in a fair and effective manner.
- provide effective legal services to the Government of Alberta.
- provide access to social programs administered by Alberta Justice.
- provide access to legal aid to those persons who are eligible.

Nine strategies were identified to achieve the ministry's goals. The nine strategies are to:

- re-focus the resources of Alberta Justice on serious and violent crime.
- prevent crime through community policing.
- increase public awareness and consult with justice stakeholders.
- streamline the process.
- develop appropriate dispute resolution mechanisms.
- examine program delivery alternatives.
- conduct cost sharing reviews.
- integrate justice systems.
- participate in central agency initiatives.

To achieve its goals, our ministry addressed many issues that presented long-term challenges. Although not all of these issues can be resolved in a single business plan, Alberta Justice developed strategies to ensure that these matters were dealt with in a progressive way. Some of the issues that were addressed include: changes to federal and provincial legislation impacting the department, maintaining high levels of service at a reduced cost and developing culturally sensitive programs that recognize the needs of the Aboriginal community.

Our ministry is proud of the initiatives undertaken in 1997/1998 and will continue to work on achieving its goals while refining its programs to better meet the needs of Albertans.



Jon Havelock, Q.C.
Minister of Justice
and Attorney General

Management's Responsibility for Reporting

The Ministry of Justice includes the Department of Justice and the Victims of Crime Fund.

The executives of the individual entities within the ministry have the primary responsibility and accountability for the respective entities. Collectively, we ensure the ministry complies with all relevant legislation, regulations and policies.

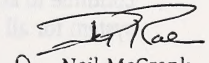
Ministry business plans, annual reports, performance results and the supporting management information are integral to the government's fiscal and business plans, annual report, quarterly reports and other financial and performance reporting.

Responsibility for the integrity and objectivity of the consolidated financial statements and performance results for the ministry rests with the minister of justice. Under the direction of the minister, I oversee the preparation of the ministry's annual report, including consolidated financial statements and performance results. The consolidated financial statements and the performance results, of necessity, include amounts that are based on estimates and judgements. The consolidated financial statements are prepared in accordance with the government's stated accounting policies.

As deputy minister, in addition to program responsibilities, I establish and maintain the ministry's financial administration and reporting functions. The ministry maintains systems of financial management and internal control which give consideration to costs, benefits, and risks that are designed to:

- provide reasonable assurance that transactions are properly authorized, executed in accordance with prescribed legislation and regulations, and properly recorded so as to maintain accountability of public money.
- provide information to manage and report on performance.
- safeguard the assets and properties of the province under ministry administration.
- provide Executive Council, Treasury Board, the provincial treasurer and the minister any information needed to fulfil their responsibilities.
- facilitate preparation of ministry business plans and annual reports required under the *Government Accountability Act*.

In fulfilling my responsibilities for the ministry, I have relied, as necessary, on the executive of the individual entities within the ministry.



for Neil McCrank
Deputy Minister
Ministry of Justice
May 22, 1998

A Message from the Deputy Minister

The Ministry of Justice offers a wide range of services including law and order in our communities, fair and equitable courts, management of offenders and protection of vulnerable citizens. By providing these services, quality of life is enhanced for all Albertans.

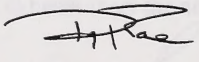
In order to provide safety and security for all Albertans, it is necessary to monitor the crime rate over time. The distribution and type of crime serve as indicators of the relative safety of our communities.

The rate for criminal code incidents has been declining in Alberta and Canada over the past several years. In 1997, there was a small increase in criminal code violations in Alberta (1.8 per cent). This increase has led to greater demands being placed upon our programs in the past year and this may have impacted our performance measures. However, the October 1997, Alberta Justice Survey found that 97 per cent of Albertans felt "somewhat safe" to "very safe" in their own homes.

The responsibility for the crime rate is government-wide, as many factors influence crime. For example, employment, education and population shifts affect the crime rate. Despite having to deal with the increase in crime, our ministry was able to successfully implement many initiatives in the past year. For example, we continued to focus our efforts and resources on dealing with serious and violent crime as well as continuing to promote community policing and increasing community involvement. We continue to identify and manage violent offenders and improve access to justice by providing support and protection to our vulnerable citizens.

In addition to effectively dealing with serious offenders, we continue to provide victims of crime with access to information, financial benefits for injuries suffered as a result of crime and funding to community groups so that they may establish programs to assist victims. The new *Victims of Crime Act* which received Royal Assent on May 24, 1996, has been developed to enhance the protection of victims. The remainder of the Act came into effect on November, 1997. The financial benefits program replaces the compensation program administered by the Crimes Compensation Board. Financial benefits paid to victims are given in recognition of the physical and emotional injury they undergo as a result of violent crime. This demonstrates the ministry's commitment to provide compensation to victims of crime.

We feel our ministry has made many accomplishments over the past year and we will continue to adhere to our commitment to serve the public by providing an effective justice system for all Albertans.



Doug Rae
Acting Deputy Minister of Justice
and Deputy Attorney General

REPORT OF THE AUDITOR GENERAL ON THE RESULTS OF APPLYING SPECIFIED AUDIT PROCEDURES TO KEY PERFORMANCE MEASURES

To the Members of the Legislative Assembly:

I have performed the following procedures in connection with the Ministry of Justice's set of performance measures included in the *1997-98 Annual Report of the Ministry of Justice* on pages 19 to 26:

1. Information obtained from an independent source, such as Statistics Canada, was agreed with the information supplied by the stated source. Information provided internally was agreed to the reports from the systems used to develop the information.

2. The calculations which converted source information into reported measures were tested.

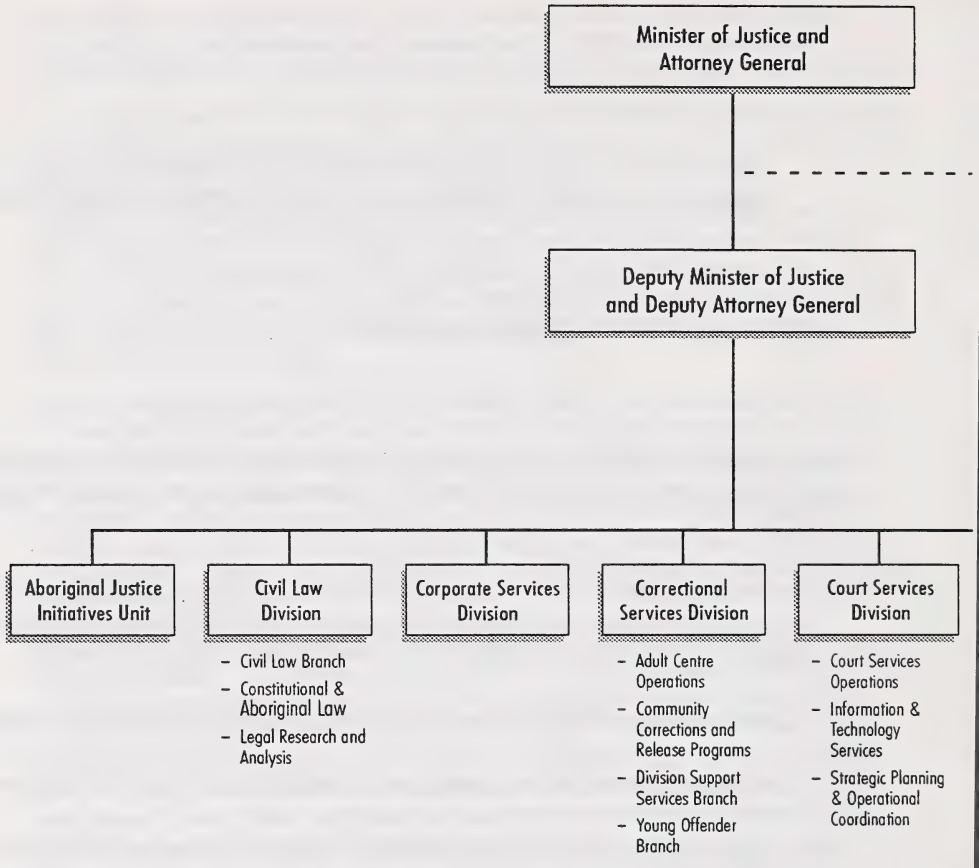
3. The appropriateness of the description of each measure's methodology was assessed.

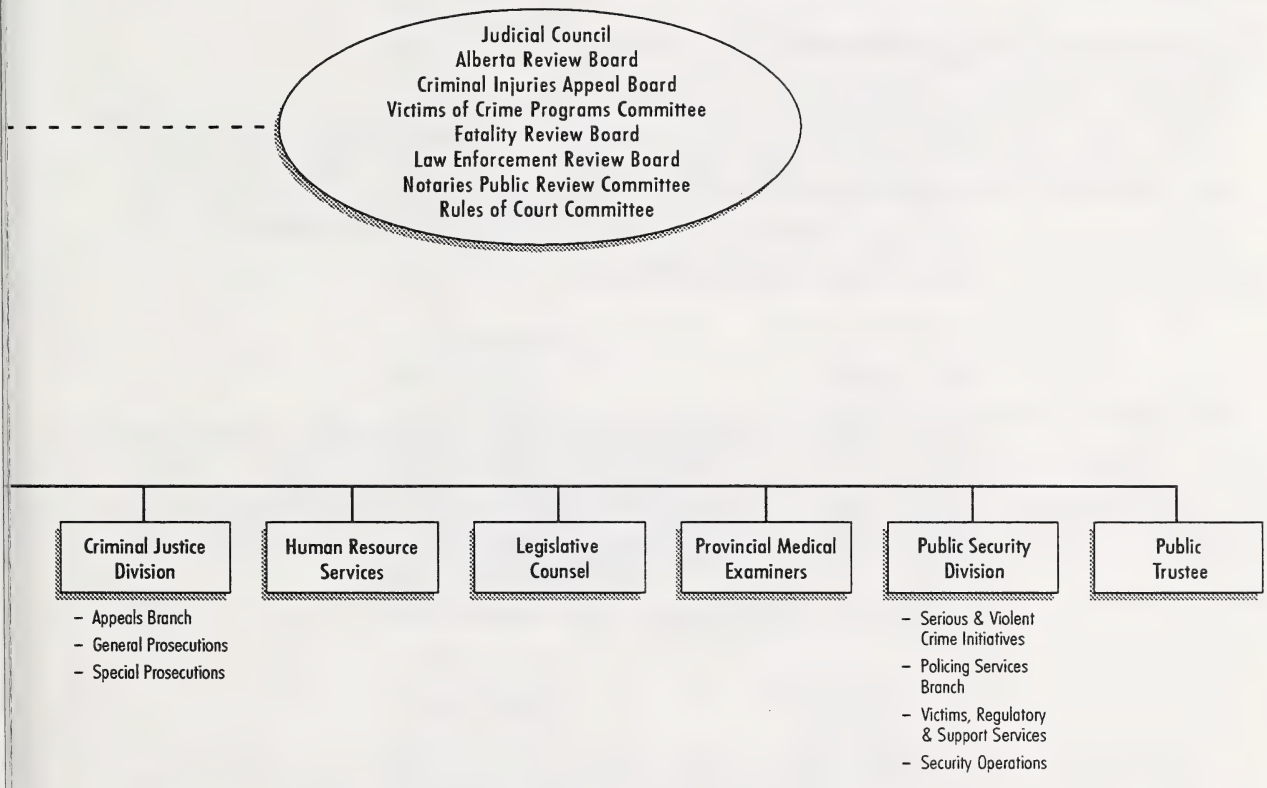
As a result of applying the above procedures, I found no exceptions. However, these procedures do not constitute an audit of the set of key measures and therefore I express no opinion on the set of key measures included in the *1997-98 Annual Report of the Ministry of Justice.*

Peter Valentine FCA
Auditor General

Edmonton, Alberta
July 17, 1998

MINISTRY OVERVIEW




Judicial Council
Alberta Review Board
Criminal Injuries Appeal Board
Victims of Crime Programs Committee
Fatality Review Board
Law Enforcement Review Board
Notaries Public Review Committee
Rules of Court Committee
Criminal Justice Division
– Appeals Branch
– General Prosecutions
– Special Prosecutions
Human Resource Services
Legislative Counsel
Provincial Medical Examiners
Public Security Division
– Serious & Violent Crime Initiatives
– Policing Services Branch
– Victims, Regulatory & Support Services
– Security Operations
Public Trustee

ANNUAL REPORT
1997-1998

Boards, Agencies And Committees



The Judicial Council recommends the appointment of individuals as judges of the provincial court of Alberta to the minister of justice. The council also investigates complaints about the competence, conduct, neglect of duty or the inability of provincial court judges to perform their duties. The minister of justice appoints two members of this council. The remaining four members are designated under the *Provincial Court Judges Act.*

E.R. Wachowich - Chief Provincial Judge
Telephone: (403) 427-6330; Fax: (403) 427-2077



The Alberta Review Board makes or reviews dispositions concerning any accused person for whom a verdict of "not criminally responsible by reason of mental disorder" or "unfit to stand trial" is rendered, according to the provisions of the *Criminal Code of Canada.* The board also has the responsibility for determining whether a person should be subject to a detention order or conditional discharge or be granted an absolute discharge. The board's six members are appointed by the lieutenant governor in council.

Judge M. Stevens-Guille - Chair
Telephone: (403) 422-5994; Fax: (403) 427-1762



The Criminal Injuries Appeal Board hears appeals concerning the financial benefits paid to victims of crime under the *Victims of Crime Act.* The board may request persons with specialized knowledge to assist with the review and has the power to confirm or vary the decision made by the director. The board has three members, each appointed by the minister. One member of the board must be a physician.

F. Lieberman - Chair
Telephone: (403) 427-7730; Fax: (403) 427-7347



The Victims of Crime Programs Committee is a provincial advisory committee which makes recommendations on grant applications, programs and services that benefit victims of crime. The committee has between three and five members that are appointed by the minister of justice.

R. Smedstad - Chair
Telephone: (403) 424-8171; Fax: (403) 425-0454



The Fatality Review Board reviews all accidental, unclassified and undetermined deaths to determine if a public inquiry is necessary under the *Fatalities Inquiries Act*. The provincial advisory committee consists of a lawyer, a physician and a lay person, each appointed by the lieutenant governor in council. The chief medical examiner is also a member of the board but cannot vote on any matter before the board. The board also reviews deaths involving wards of the court, persons held in custody, and persons institutionalized under the *Mental Health Act*.

Dr. P. Underwood - Chair
Telephone: (403) 297-8123; Fax: (403) 297-3429



The Law Enforcement Review Board is a quasi-judicial, provincial board established under the Alberta *Police Act*. The board holds inquiries into policing, police services, public complaints about police officer conduct and police officers' appeals on disciplinary action. Inquiries are held at the request of the minister of justice, a private investigator, security guard or special constable. The board has a minimum of three members who are appointed by the lieutenant governor in council.

P. Knoll, Q.C. - Chair
Telephone: (403) 422-9376; Fax: (403) 422-4782



The Notaries Public Review Committee advises the minister of justice on appointments of lay Notaries of Public. The committee is made up of a member from the legal community, a lay member and a secretary from the ministry and appointed by ministerial order under the *Government Organization Act*. The committee reviews applications for appointment and then provides recommendations to the minister of justice.

I. Kay, Q.C. - Chair
Telephone: (403) 427-5069; Fax: (403) 427-6821



The Rules of Court Committee makes recommendations to the minister of justice on amendments to the Rules of Court made under the *Court of Appeal Act*, the *Court of Queen's Bench Act* or any other Act. The committee consists of the chief justice of Alberta or a justice of the Court of Appeal designated by the chief justice, the chief justice of the Court of Queen's Bench or a justice of the Court of Queen's Bench designated by the chief justice of that court, the chief judge of the provincial court of Alberta or a judge of the provincial court designated by the chief judge. Two members are also appointed by the Law Society of Alberta and one member by the minister of justice.

The Honourable Mr. Justice J.E.L. Cote - Chair
Telephone: (403) 422-2200; Fax: (403) 427-5507

ANNUAL REPORT
1997-1998

Department of Justice

Aboriginal Justice Initiatives Unit

The Office of the Coordinator, Aboriginal Justice Initiatives, was established in June 1993. The office advises the ministry on Aboriginal issues and programs and coordinates the implementation of the recommendations arising from the Task Force on the Criminal Justice System and Its Impact on the Indian and Metis People of Alberta (Cawsey Report). Working with the Departmental Steering Committee on Aboriginal Justice Initiatives, the office consults with stakeholders in the criminal justice system and the Aboriginal community to facilitate the development of Aboriginal justice initiatives and to address the requirements of the task force report.

R. Butler, Acting Director
Telephone: (403) 422-2779; Fax: (403) 427-4670

Civil Law Division

The Civil Law division has three branches: Civil Law, Constitutional and Aboriginal Law and Legal Research and Analysis. Civil Law is responsible for providing legal advice and assistance to all government ministries and for representing them in matters before the courts and tribunals. Constitutional and Aboriginal Law provides specialized advice to the government concerning constitutional or aboriginal matters. The Legal Research and Analysis Branch provides advice on legislative policy to the Minister of Justice and Attorney General.

D. Rae, Q.C. - Assistant Deputy Minister
Telephone: (403) 422-0500; Fax: (403) 422-9639
E-Mail Address: raed@just.gov.ab.ca

Corporate Services Division

Corporate Services provides a variety of planning, administrative and technical services to the program areas of the ministry. The division's responsibilities include authenticating documents and appointing Commissioner for Oaths and Notaries Public; public and media relations; business planning and performance measures; project management; information technology services; and, financial management services. The division also administers the Maintenance Enforcement Program.

D. Mercer, Executive Director
Telephone: (403) 427-3301; Fax: (403) 422-9639
E-Mail Address: mercerd@ho.just.gov.ab.ca

Correctional Services Division

Correctional Services administers judicial sanctions through a variety of community and custodial supervision programs for adult and young offenders. Supervision orders passed down by the courts include pre-trial (bail) supervision, probation, and conditional sentence supervision. Alternative sanctions that meet strict eligibility criteria can also be supervised by the division, precluding court hearings.

The division operates nine adult correctional centres and contracts with an Aboriginal organization for the operation of a tenth adult centre. Correctional facilities incarcerate offenders remanded into custody or sentenced to periods of custody up to two years less one day. A limited number of federal offenders detained by Correctional Service of Canada or the Department of Citizenship and Immigration are held pursuant to agreements in force between Alberta and Canada. Alberta Correctional centres have eight satellite minimum security camps, two of which are managed by Aboriginal organizations.

Correctional Services also manages four young offender correctional centres and one work camp. All young offenders sentenced to open or secure custody are managed by the division. Contracts are held with Aboriginal and non-Aboriginal service providers for two additional camp programs and group home and private custody home beds. An Aboriginal organization is contracted to provide a residential substance abuse treatment program for youths serving open custody dispositions.

H. O'Handley, Assistant Deputy Minister
Telephone: (403) 427-3441; Fax: (403) 427-5905
E-Mail Address: ohandleyh@mgate.just.gov.ab.ca

Court Services Division

Court Services provides administrative, planning and technical support to Alberta's four courts: the Court of Appeal of Alberta, the Court of Queen's Bench of Alberta, the surrogate court of Alberta and the provincial court of Alberta. The ministry also maintains a registry for the Court of Appeal of the Northwest Territories. Staff are located in 23 centres and the courts circuit to an additional 51 locations.

The four courts maintain all court records and accept a wide variety of documents for filing from the public, lawyers, law enforcement agencies and other government departments. Employees record all court proceedings, swear in or affirm witnesses and interpreters, mark and ensure the safekeeping of exhibits, process fines and other payments into court, perform searches, and provide general assistance to the public and lawyers.

Court Services also operates law libraries to provide legal information to judges, Crown prosecutors, defence counsel and the public.

R. Wacowich, Q.C. - Assistant Deputy Minister
Telephone: (403) 427-9620; Fax: (403) 422-9639

Criminal Justice Division

Criminal Justice prosecutes all offences under the *Criminal Code of Canada*, the *Young Offenders Act* and the Provincial Statutes in all the courts of the province and the Supreme Court of Canada.

The division is divided into three branches. Appeals and Criminal Law Policy is responsible for criminal appeals to the Court of Appeal and the Supreme Court of Canada. Special Prosecutions is responsible for providing specialized prosecutorial services in areas such as organized crime, significant commercial or corporate crime or crimes committed against government. General Prosecutions is responsible for all cases apart from those assigned to the other two branches.

M. Allen, Q.C. - Assistant Deputy Minister
Telephone: (403) 427-5042; Fax: (403) 422-9747

ANNUAL REPORT
1997-1998

Human Resource Services Division

Human Resource Services provides human resource consultation and support for the administration of justice. The division provides staffing, classification, employee relations, staff training and development, and employee programs to support the ministry's business plan.

The Staffing, Classification and Employee Relations Unit provides ongoing consultation on organizational issues and downsizing initiatives. The unit also administers the collective agreements and participates in negotiations with the Alberta Union of Provincial Employees. The Staff Training and Development Unit manages the training and development activities for the ministry. Employee Programs manages the Workers' Compensation Program, the Attendance Management Program and the Long Term Disability Program for the ministry.

S. Perras, Executive Director
Telephone: (403) 427-9617; Fax: (403) 422-9639
E-Mail Address: perrass@just.gov.ab.ca

Legislative Counsel

The Legislative Counsel Office is responsible for drafting government bills, regulations and Orders in Council. The office also works with the Queen's Printer to make the laws of Alberta available to the public.

P. Pagano, Q.C. - Chief Legislative Counsel
Telephone: (403) 427-2217; Fax: (403) 422-7366
E-Mail Address: paganop@just.gov.ab.ca

Provincial Medical Examiners

The Medical Examiner's Office investigates all unexplained natural deaths and all unnatural deaths in Alberta under authority of the *Fatality Inquiries Act*. These deaths represent about 30 per cent of all deaths in the province. Investigations determine the identity of the deceased and the cause, manner and circumstances of death. Findings are used to settle estates in civil and criminal proceedings. All deaths in Alberta which involve cremation, dissection under the *Universities Act* or shipment out of province require a certificate by the office prior to final disposition of the body. The office is also involved in organ and tissue donation, research, statistics and forensic education. The chief medical examiner, a forensic pathologist, is the head of the program.

Fatality Inquiries (inquests) are recommended by the Fatality Review Board following a review of case files provided by the office. These inquiries are held in public before a provincial court judge.

Facilities exist in Edmonton and Calgary with morgue, investigative, medical records and laboratory units. Outside Edmonton and Calgary, investigations are performed through a partnership between fee-for-service medical examiners (typically family physicians) and police officers acting as medical investigators using local hospital morgue and pathology resources. Where no local facilities exist or are accessible, bodies are examined in either the Edmonton or Calgary offices.

Dr. G.P. Dowling, MD., FRCP - Chief Medical Examiner
Telephone: (403) 427-4987; Fax: (403) 422-1265
E-Mail Address: dowlingg@just.gov.ab.ca

Public Security Division

Public Security administers the *Police Act*, the *Private Investigators* and *Security Guards Act*, firearms control legislation and the *Victims of Crime Act*. The division is also responsible for the implementation of the ministry's Serious and Violent Crime Program.

Under the *Police Act*, the division administers the Provincial Police Service Agreement with Canada for RCMP services, numerous Aboriginal policing initiatives, the special constable program and support for the Law Enforcement Review Board. The division also provides financial benefits to victims of crime and provides funding for victims programs and services under the *Victims of Crime Act*.

Public Security operates the Security Operations branch and provides court and prisoner, legislative and executive security services. The branch also offers security consultation for provincial government buildings and maintains a 24-hour security control centre at Government Centre.

R. Dunster, Assistant Deputy Minister
Telephone: (403) 427-3457; Fax: (403) 427-1194
E-Mail Address: dunsterb@just.gov.ab.ca

Public Trustee

Acting under the *Public Trustee Act*, the Public Trustee provides access to legally oriented social programs administered by Alberta Justice. The Public Trustee protects the financial interests of vulnerable Albertans by administering the estates of dependent adults, decedents and minors.

J.E. Klinck, Q.C. - Public Trustee
Telephone: (403) 427-2744; Fax: (403) 422-9136
E-Mail Address: klinckj@just.gov.ab.ca

ANNUAL REPORT
1997-1998

Goals and Measures

Alberta Justice's commitment to foster safer, more secure communities and to effectively administer justice is stated in the 1997-2000 business plan. In this business plan, Alberta Justice also identified six goals that the ministry must achieve in order to fulfill its mandate. These goals have been with the ministry for a number of years. In order to reflect how successful the ministry is in meeting these goals, a number of indicators have been developed.

GOAL 1:
Maintain law and order in Alberta communities.

Albertans should have safe and secure communities with peace and good order so they can live, work and raise families without fear of crime or victimization. This goal is achieved by providing a broad range of services including: adequate and effective policing, crime prevention programs, support for initiatives that address family violence, fatality investigations, consultations with and training for police commissions and committees, investigations of complaints against police, promotion of diversion and alternative measures, protection of officials and public property, firearms control and the incarceration of offenders dangerous to the public.

Goal 1 is supported by the following strategies:

Strategy 1. Re-focus the resources of Alberta Justice on serious and violent crime. (See Page 27)

Strategy 2. Prevent crime through community policing. (See Page 28)

Strategy 3. Increase public awareness and consult with justice stakeholders. (See Page 29)

Strategy 4. Streamline the process. (See Page 31)

Strategy 5. Develop appropriate dispute resolution mechanisms. (See Page 34)

Strategy 6. Examine program delivery alternatives. (See Page 36)

Strategy 7. Conduct cost sharing reviews. (See Page 40)

Key Measure for Goal 1

Key Measure: Public satisfaction with the justice system in Alberta.

One measure to determine public confidence in the justice system and the ministry is to conduct a survey that assesses how well the ministry is maintaining law and order. A third survey of the Alberta public was conducted by Environics West in October 1997, and the public was asked how satisfied they were with the job Alberta Justice was doing. Results indicated that 52 per cent were "very satisfied" or "somewhat satisfied" with the performance of the ministry compared to 49 per cent in 1995 (see Graph 1; for methodology see page 45 - public satisfaction).

It appears that satisfaction with the administration of justice has marginally increased over the last three years.

Core Businesses

Alberta Justice has five core business functions. They are:

Policing

Providing high quality and effective police services to Albertans.

Prosecution and Trial

Conducting trials in Alberta courts in a fair, efficient and timely manner.

Providing access to criminal and civil remedies in the courts.

Sanctions

Maintaining effective and efficient correctional programs while offering offenders opportunities for rehabilitation.

Legal Services

Providing quality, timely legal services to government departments.

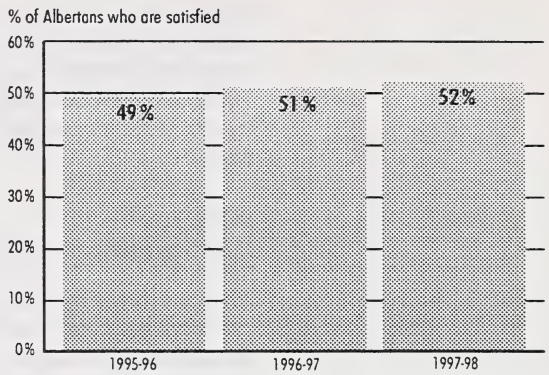
Social Programs

Ensuring fairness and equity in the administration of justice in delivering effective legally oriented social programs to Albertans.

ANNUAL REPORT 1997-1998

The target for this performance measure was set at 60 per cent for the 1997/98 fiscal year. The survey indicated that we are approaching the set target.

GRAPH 1
Public Satisfaction with the Justice System in Alberta



Source: Corporate Support Services Branch

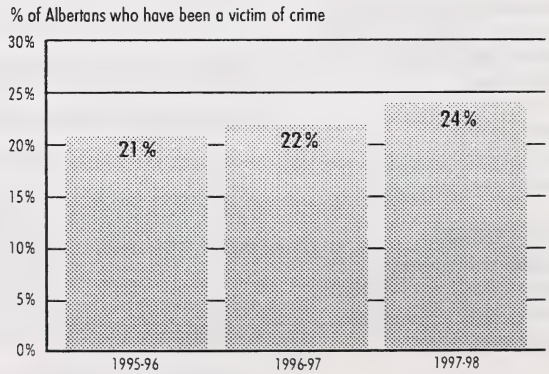
Many concerns the public has with the justice system appear to be rooted in a misunderstanding or lack of knowledge about the justice system. In reference to the survey, only 60 per cent correctly identified the provincial government as being responsible for the administration of justice in the province. Although this number is higher than what has been found on other polls and in other provinces, it is still quite low. The number most likely reflects a lack of understanding regarding the complexity of the legal system and the relatively independent roles of the major entities.

Although the public appear to lack an understanding of the justice system, almost 80 per cent of respondents surveyed were "very satisfied" or "somewhat satisfied" with the job the police were doing. Additionally, 96 per cent of the public felt "very safe" or "somewhat safe" in their own homes. Statistics from similar surveys done in other jurisdictions indicate that, comparatively speaking, Albertans felt they had a high degree of safety in their own homes.

Key Measure: Proportion of Alberta's population who believe they have been a victim of crime in the past year.

Another measure to assess the ministry's success in maintaining law and order is the degree to which the public feels safe. In the same poll noted above, Albertans were asked "How many times, if at all, have you yourself been a victim of crime in the past year?" Twenty-four per cent of

GRAPH 2
Proportion of Alberta's Population Who Believe They Have Been a Victim of Crime in the Last Year



Source: Corporate Support Services Branch

ANNUAL REPORT 1997-1998

Albertans reported they were a victim of crime (see Graph 2). This rate is equal to the Canadian average. (For methodology see page 45 – victimization rate.)

The *Victims of Crime Act*, proclaimed in 1997, provides enhanced and streamlined programs for victims of crime. The Act also ensures that victims of crime are acknowledged in the justice system and provided the assistance and care that they require.

The ministry will continue its efforts to reduce victimization as much as possible over the years ahead. A realistic target (21 per cent or less) has been set to keep the rate of victimization below the national average of 24 per cent. The current national average has been determined from the Statistics Canada General Social Survey which was conducted in 1987. The General Social Survey will be conducted again in 1998 and new national victimization data will be available (Note: the target age population for the General Social Survey was 15 and greater while the target age population for the Alberta Justice Survey was 18 and greater. In practice, this would have very little effect on survey results.

GOAL 2:
Conduct criminal and civil proceedings in a fair and effective manner.

Maintaining a high standard of criminal prosecutions in Alberta's courts is essential to ensure public confidence in the judicial system. Court time should be used effectively to ensure fair access and case resolution. This goal is achieved through the provision of court resources, scheduling mechanisms and effective prosecution of criminal matters. The ministry is also responsible for regulating the activities of private bailiffs, establishing diversion programs, implementing a victim impact statement program, providing pre-sentence and pre-disposition reports and being responsive to the public's need for access and information.

Goal 2 is supported by the following strategies:

Strategy 3. Increase public awareness and consult with justice stakeholders. (See Page 29)

Strategy 4. Streamline the process. (See Page 31)

Strategy 5. Develop appropriate dispute resolution mechanisms. (See Page 34)

Strategy 6. Examine program delivery alternatives. (See Page 36)

Strategy 8. Integrate justice systems. (See Page 42)

Key Measure for Goal 2

Key Measure: Availability of provincial criminal court for trial

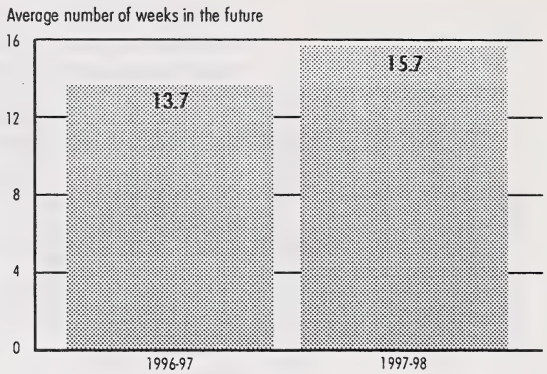
The ministry must ensure that there is access to the courts in a reasonable amount of time. The availability of provincial criminal court for trial or lead time is one measure of fair and effective court proceedings.

As recommended by the Auditor General, two changes have been made to this key measure. In order to provide an accurate measure of lead time, the data represents a "weighted average" formulation. The amount of time from the earliest known scheduled date to the earliest known trial date has been weighted against the number of accused in each location to give an accurate proportion across the province (See Graph 3; for methodology see page 45 – weighted average). Also, the data represents all provincial court locations as opposed

to only reporting Calgary and Edmonton as in previous fiscal years.

Since a "weighted average" formulation is represented for lead time across the province, previous targets that were set when the ministry was reporting only Calgary and Edmonton are no longer valid. A new set of targets will be developed and reported in future business plans.

GRAPH 3
Availability of Provincial Criminal Court for Trial



Source: Criminal Justice Information System

There has been an increase in the lead time from 1996/97 to 1997/98. A delay between the time a trial date is set and when the trial is held is required to locate and subpoena witnesses and allow the prosecutor and defence adequate time to prepare their cases.

GOAL 3:
Carry out the sentences of the court in a fair and effective manner.

It is the mandate of the Correctional Services division to carry out the most serious sanctions of the court–incarceration–in a manner that protects the public. In carrying out the sanctions of the court, an opportunity is also provided for the rehabilitation of offenders–a responsibility shared among many stakeholders and the community at large. The court's sanctions are affected by providing for the care and control of offenders and administering community-based correction programs for low-risk offenders.

Goal 3 is supported by the following strategies:

Strategy 4. Streamline the process. (See Page 31)

Strategy 5. Develop appropriate dispute resolution mechanisms. (See Page 34)

Strategy 7. Conduct cost sharing reviews. (See Page 40)

Key Measure for Goal 3

Key Measure: Escapes from secure custody

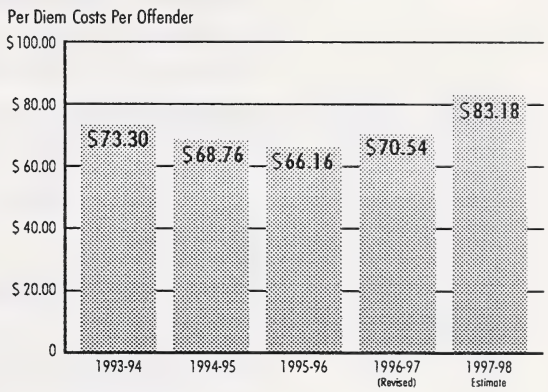
Incarceration of offenders must be carried out in a manner that protects public safety. All offenders need to be accountable for their behavior and some need to be controlled in a secure environment. One measure of how well Alberta Justice is carrying out the sentences of the courts in a fair and effective manner is the number of escapes from secure custody.

ANNUAL REPORT 1997-1998

There were no escapes from secure custody from 1993/94 to 1995/96. In 1996/97, there was one escape from secure custody, the first escape since 1992/93. In 1997/98, there were no escapes from secure custody (for methodology see page 45 – escapes from secure custody). This achievement is significant considering that Alberta's Correctional Services dealt with approximately 27,000 admissions into custody in 1997/98. Of course, our target for escapes from secure custody has always been zero and was met for the 1997/98 fiscal year.

GRAPH 4

Per Diem Costs Per Offender in Adult Custody



Source: Correctional Services Division

Key Measure: Per diem cost per offender

Per diem costs measure how efficiently correctional facilities are operating.

The per diem housing cost per offender increased from $70.54 per day to $83.18 per day in 1997/98, an increase of 18 per cent (see Graph 4). Due to the decrease in the number of offenders being incarcerated, the per diem cost increased for 1997/98 because many fixed costs remain the same irrespective of how many offenders are incarcerated (for methodology see page 46 – per diem costs).

The target for this performance measure is to have Alberta's per diem cost remain below the national average. While the 1997/98 Canadian per diem rate is not available at this time, Alberta's per diem rate for adult offenders in custody has generally been the lowest in Canada. In reference to the 1996/97 fiscal year, our per diem rate was $70.54 while the Canadian per diem rate was $110.05.

GOAL 4:
Provide effective legal services to the government of Alberta.

The legal interests of the government must be protected. This is accomplished by providing legal advice to the government and representing the government in litigation.

Goal 4 is supported by the following strategies:

Strategy 4. Streamline the process. (See Page 31)

Strategy 5. Develop appropriate dispute resolution mechanisms. (See Page 34)

Strategy 6. Examine program delivery alternatives. (See Page 36)

Key Measure for Goal 4

Key Measure: Client satisfaction with legal services

To measure how satisfied client ministries are with the provision of legal services, a client satisfaction survey was conducted in the fiscal year of 1997/98.

On average, all client ministries were "more than satisfied" to "very satisfied" with Alberta Justice's legal services. In the future, we would expect that the majority of ministries are "more than satisfied" to "very satisfied" and that all client ministries are at least "satisfied" (for methodology see page 46 – satisfaction survey of legal services).

GOAL 5:
Provide access to social programs administered by Alberta Justice.

Justice social programs protect the interests of vulnerable Albertans, enhancing the quality of life in the province. This goal is achieved by enforcing maintenance orders, administering the estates of dependent adults, decedents and minors and providing support for programs and services for victims of crime.

Goal 5 is supported by the following strategies:

Strategy 3. Increase public awareness and consult with justice stakeholders. (See Page 29)

Strategy 4. Streamline the process. (See Page 31)

Strategy 6. Examine program delivery alternatives. (See Page 36)

Strategy 7. Conduct cost sharing reviews. (See Page 40)

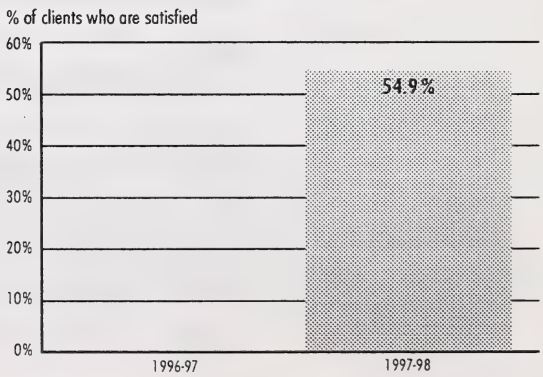
Strategy 8. Integrate justice systems. (See Page 42)

Key Measure for Goal 5

Key Measure: Client satisfaction with the Maintenance Enforcement Program

A survey questionnaire was designed and conducted in the 1997/98 fiscal year to examine client satisfaction with the Alberta Maintenance Enforcement Program. The survey asked creditors and debtors to respond to a key measure question: "Overall, how satisfied are you with the manner that the Maintenance Enforcement Program has handled your file?"

GRAPH 5
Maintenance Enforcement Program Survey



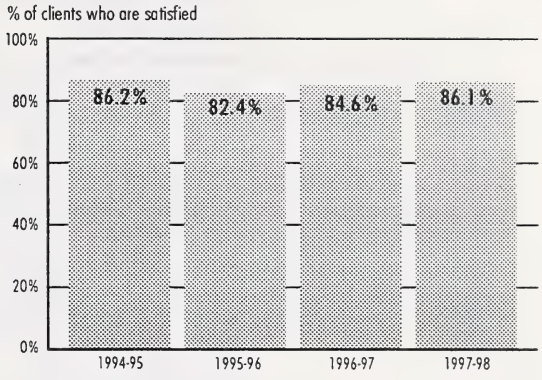
Source: Maintenance Enforcement Program

ANNUAL REPORT 1997-1998

The results revealed that 54.9 per cent of the clients reported being "somewhat satisfied" to "very satisfied" with the manner in which their file was handled (see Graph 5; for methodology see page 46 – satisfaction survey for Maintenance Enforcement Program).

A target for 1997/98 has not been set for this performance measure because this is the first year the survey was conducted. In the future, we will be able to determine a target level based on the responses of the Maintenance Enforcement Program surveys over time.

GRAPH 6
Public Trustee's Office Survey



Source: Public Trustee's Office

Key Measure: Client satisfaction with the Public Trustee's Office

During 1997/98, survey responses were received from beneficiaries, minors, parents, guardians and commercial business partners. The results of surveys conducted for the year ended March 31, 1998, showed a satisfaction level of 86.1 per cent with respect to services that are important to Public Trustee clients. This represents an increase of 1.5 per cent from last year's satisfaction level of 84.6 per cent (see Graph 6). Customer satisfaction surpassed the target of 80 per cent for 1997/98 (for methodology see page 46 – satisfaction survey for Public Trustee's Office).

GOAL 6:
Provide access to legal aid to those persons who are eligible.

Legal aid provides individuals with legal services they would not be able to acquire otherwise. To achieve this goal, the ministry provides grants to the Legal Aid Society of Alberta.

Goal 6 is supported by the following strategies:

Strategy 6. Examine program delivery alternatives. (See Page 36)

Key Measure for Goal 6

Key Measure: Legal Aid volume

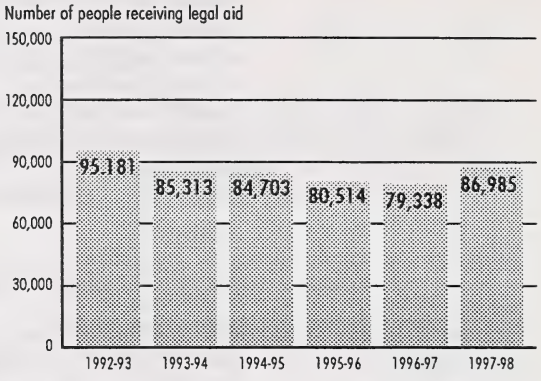
The Legal Aid Program is independently operated by the Legal Aid Society of Alberta. The primary source of funding for the program, however, comes from the Ministry of Justice. Other sources of funding are the federal government, Alberta Law Foundation and legal aid recipients who repay the program. A measure of legal aid services is the number of eligible

ANNUAL REPORT 1997-1998

persons receiving legal aid. While this is a volume indicator it best reflects the achievement of the government's goal in providing access to legal aid. In 1997/98, 86,985 people received legal aid services (See Graph 7; for methodology see page 47 - legal aid data). This represents an increase of 9 per cent from 1996/97. The primary reason for this increase was the level of crime going up in 1997 after several years of decreases.

GRAPH 7

Number of Eligible Persons Receiving Legal Aid Services



Source: Legal Aid Society

There is no target for this performance measure. It is inappropriate to set a target for the desired number of people to receive legal aid because numbers can be modified by a change in board policy and it is not clear whether government should be moving toward more or fewer persons receiving legal aid.

ANNUAL REPORT
1997-1998

Strategies, Initiatives and Accomplishments

STRATEGY 1:
To re-focus the resources of Alberta Justice on serious and violent crime.

The ministry is committed to addressing the public's concerns about serious and violent crime.

This strategy has produced a number of positive changes and will continue to be implemented in future business plans. Through cooperation with key stakeholders in the criminal justice system, the ministry will focus resources on those crimes which pose the greatest risk to public safety. The following initiatives from 1997/98 reflect an increased commitment to deal with those crimes in a way that reinforces deterrence while respecting the traditions of fairness and equity.

Initiative #1:

Develop and implement, under the auspices of the ministry's Serious and Violent Crime Committee and in conjunction with the police, strategies whereby Alberta Justice resources can be appropriately focused on serious and violent crime.

Accomplishments:

All strategies recommended by the Serious and Violent Crime Committee that are specifically within the mandate of Alberta Justice have been successfully implemented. Performance measures have been developed and quarterly reports were completed. Performance measures indicate that there is an improved focus on serious and violent crime and that less serious matters are being diverted from the justice system. Benchmarks will be established once the initiatives have been operational for a period of time. The initiatives include:

- A protocol agreement was negotiated between Alberta Justice, the chiefs of police of all Alberta municipal and First Nation police services, the commanding officer of the RCMP "K" division and the Correctional Service of Canada (CSC). This protocol enables the chief or commanding officer to notify appropriate members of the community when an individual is believed to present a risk of significant harm to the community.
- A provincial Serious Habitual/Significant Harm Offender Comprehensive Action Program (SHOCAP) was implemented in April 1997. The program targets serious habitual offenders and those who present a risk of significant harm to the community.
- A single information sharing agreement among Alberta Justice, all police services in Alberta and Correctional Services Canada was established. This agreement has standardized information sharing guidelines and facilitates information sharing.

Initiative #2:

Hire additional Crown prosecutors.

Accomplishments:

- Eighteen Crown prosecutors were hired to meet current workload demands and permit more resources to be focused on dealing with serious and violent crime.

ANNUAL REPORT 1997-1998

Initiative #3:

Implement the approved recommendations of the Task Force Report on the administration of the *Young Offenders Act*.

Accomplishments:

- The ministry has successfully involved a greater number of communities in efforts to make the justice system more responsive to local needs. Correctional Services developed community Youth Justice Committees to build greater understanding among community members of the complexity of corrections issues. The committees also serve to further community awareness about the importance of providing timely and appropriate intervention into the lives of troubled adolescents and their families. The program now works in 64 Alberta communities.
- Correctional Services liaised closely with federal, provincial and territorial justice officials to ensure that Alberta's recommendations for amendments to the *Young Offenders Act* continued to be clearly communicated. Additionally, the division continued to build support among other provincial jurisdictions so that a "common front" was presented regarding amendment proposals.
- A comprehensive information sharing protocol between Alberta Justice and provincial school officials was developed and implemented. This protocol ensures that schools receive appropriate information about students with young offender status when such disclosure is necessary to address safety and security issues. It also provides an opportunity for a collaborative and coordinated case management approach to the rehabilitation of the young person.

Initiative #4:

Place on the agenda for the Heads of Corrections a strategy for the development of national recidivism data.

Accomplishments:

- Correctional Services obtained the support of the Heads of Corrections for a national recidivism study of offenders. The Canadian Centre for Justice Statistics has begun work on the study.

STRATEGY 2:
To prevent crime through community policing.

Recent crime decreases have been attributed to the innovative ways police are handling their responsibilities, including community based and problem-solving approaches. The ministry will continue to encourage police services to expand community policing so that they become even more successful in mobilizing communities to address law enforcement issues. The ministry will also seek ways to better inform the public on incidents of crime and levels of citizen safety.

Initiative #1:

Support and work with police services to further the concepts of community policing and develop measurements to identify its effectiveness.

Accomplishments:

- Public Security completed an evaluation of the RCMP Provincial Police Service community based policing initiative, focusing on program and implementation objectives. The evaluation was based on a citizen survey and a survey of RCMP members. The survey found that RCMP "K" division had performed very well in the area of community policing.
- A wide variety of programs that address crime prevention, such as Rural Crime Watch, were actively promoted throughout the province.
- The division organized Alberta Crime Prevention Week (ACPW), May 10-17, 1997. This initiative included developing a new Community Planning Guide, incorporating national and provincial crime statistics, detailed community safety information and information on the Alberta Justice crime prevention web site. The division worked with the Alberta Community Crime Prevention Association (ACCPA) as a co-sponsor of ACPW and a partner in the promotion of the Alberta Justice Minister's Crime Prevention Award Ceremony.
- The 1997 Environics West Poll found that 71 per cent of Albertans felt the government had promoted crime prevention "well" or "very well."

Initiative #2:

Further develop First Nations policing initiatives in cooperation with First Nations, Canada and the RCMP.

Accomplishments:

- Tripartite policing agreements between First Nations, Alberta and the federal government were signed with Alexis First Nation, North Peace Tribal Council and Tsuu T'ina Nation. The second five-year tripartite policing agreement was signed with the Siksika Nation, renewing the provincial and federal governments' commitment to First Nations policing.
- A total of 10 tripartite policing agreements have been signed involving 19 First Nation communities. These tripartite policing agreements provide for several policing models which meet the needs of their individual communities.
- Security Operations, through Court and Prisoner Security (CAPS), developed a firearms training program, driver training program and a restraint techniques program for use by the Police Officer Recruit Training (PORT) Program. Security Operations provided qualified instructors for the program. The use of in-house instructors resulted in a net saving to the program.

STRATEGY 3:
To increase public awareness and consult with justice stakeholders.

A number of initiatives in 1997/98 focused on educating the public about changes to the administration of justice. It is anticipated that these initiatives will result in greater citizen involvement and support of the justice system.

The ministry will continue to solicit the views of its stakeholders to inform them of our plans and solicit their advice on re-engineering programs to meet their needs. The ministry will also continue its dialogue with Aboriginal communities to address their needs to the greatest degree possible.

ANNUAL REPORT 1997-1998

Initiative #1:

Provide police commissions and police committee members with the opportunity to broaden their knowledge of their role in the justice system and law enforcement community.

Accomplishments:

- Public Security and the Alberta Association of Municipal Police Commissions organized a three day training workshop for municipal and First Nation police commissions. Public Security made a presentation at the workshop.
- Public Security provided advice and Policing Committee handbooks to interested municipalities.

Initiative #2:

Review with Aboriginal groups their involvement in the administration of criminal justice.

Accomplishments:

All contracts with Aboriginal societies to provide correctional services to Aboriginal offenders have been renewed or extended. Community Corrections staff work proactively with Aboriginal societies to share with them developments in Correctional Services and ensure that their delivery of services meets set standards.

- On March 20, 1998, at the First Nations Justice Conference, the minister of justice invited Aboriginal people to enter into discussions with the ministry on the formation of First Nation and Metis Advisory Committees to Alberta Justice. The minister also undertook to expedite the transfer of justice programs to Aboriginal communities.
- The ministry provided funding to the Metis Nation of Alberta Association (MNAA) to hold community justice workshops in all six Metis zones. These workshops increased Metis awareness of Aboriginal justice developments in Alberta and allowed them to explore their local justice needs.

Initiative #3:

Produce brochures and meet with special interest groups to explain the role of the Public Trustee.

Accomplishments:

- The Public Trustee participated in a number of public speaking engagements to increase the profile of their role in the community. The office received positive feedback from attendees on the speaking engagements.
- The Public Trustee produced the *Tips for Newly Appointed Trustees* and *Retaining a Lawyer to make Trusteeship Applications* information brochures.
- The informational brochure *Informal Trusteeship* was sent to directors in charge of Alberta's courts for distribution throughout Surrogate Court outlets.

Initiative #4:

While retaining responsibility for the administration of criminal justice programs, ensure public safety and offender accountability, work cooperatively with departments serving children and families, and bring increased focus to ensuring the availability of appropriate prevention and early intervention programs for children who are at risk of criminal involvement.

ANNUAL REPORT 1997-1998

Accomplishments:

- Correctional Services ensured that Alberta Justice was represented and provided input to the Services to Children and Families Redesign initiative. This included representation on the Early Intervention Program committee and involved extensive public consultation and education about the current and future role of the justice system related to this initiative.
- Correctional Services ensured that a coordinated response was undertaken to include the many areas of the ministry that supported and assisted the Children Services Redesign initiative. The ministry has also worked closely with other departments, agencies and community stakeholders serving children to further the goals of the redesign.
- Alberta Justice worked closely with Alberta Family and Social Services and other stakeholders to develop strategies and recommendations for the Child Prostitution Task Force.

STRATEGY 4:
To streamline the process.

The administration of justice must be streamlined to be as effective as possible. The ministry undertook initiatives in 1997/98 to simplify the justice process while ensuring that the system remained accessible, effective, equitable and understandable by the public.

Initiative #1:

Work with the federal government and other provinces to reclassify criminal offences to facilitate the administration of criminal cases.

Accomplishments:

- This initiative has continued at the ministerial, deputy and senior official levels. Reclassification of offences will allow cases that are more appropriately dealt with in provincial court than the Court of Queen's Bench, to proceed accordingly. This will be accomplished by broadening the Crown's election powers to reclassify more offences into hybrid offences and eliminate many preliminary inquiries by keeping the trial at the provincial court level. For such cases, victims and witnesses will only have to appear once rather than at a preliminary inquiry and a trial. Protection of vulnerable witnesses who testify at a preliminary inquiry and increased used of technology are also being considered.

Initiative #2:

Develop a management information system for each court and work with the judiciary to improve case management and trial coordination services.

Accomplishments:

- Discussions with the judiciary are ongoing regarding finding ways to improve the management of cases throughout the court system. A committee of judges, lawyers and Court Services representatives are developing a Caseflow Management System for 1999. This initiative will require significant technological investment.

ANNUAL REPORT
1997-1998

Initiative #3:

Increase the monetary jurisdiction of and access to small claims court.

Accomplishments:

- Easier access to civil justice started October 1, 1997, when the monetary jurisdiction of provincial court - civil division, was increased. The limit was raised from $4,000 to $7,500 to ensure faster, less complicated and less expensive means of resolving civil claims. Prior to the increase, these claims were heard in the Court of Queen's Bench where costs are higher, proceedings are more formal and disputes took longer to settle. This initiative will be evaluated in 1998 to consider a further increase to the court's monetary jurisdiction.

Initiative #4:

Maintain the effective and efficient operation of the Court of Appeal, the Court of Queen's Bench and the provincial court.

Accomplishments:

- The new judicial district of St. Paul was established on January 1, 1998. This will allow filing of Queen's Bench actions in St. Paul and eliminate the expense and inconvenience of traveling to Edmonton for Queen's Bench matters.
- Starting January 8, 1998, provincial court in Gleichen moved its sittings to Siksika. This move will improve access to justice for the local Aboriginal community.
- An MLA led review team was established to evaluate a tribal court proposal for the Tsuu T'ina and Stoney First Nations in southern Alberta. The proposal is based on an extension of the existing provincial court model and includes: the appointment of a fully qualified Aboriginal provincial court judge, the provision of Crown prosecutorial services by Aboriginal Crown prosecutors, the provision of court services by Aboriginal personnel from the involved communities and a new "Peacemaker" component that proposes the use of traditional methods of dispute resolution by the court, the Crown and the community. The proposal envisions provincial court sittings taking place in participating communities. The review will be completed and the final report submitted by August 31, 1998.

Initiative #5:

Conduct a joint planning process with Public Works, Supply and Services to redevelop court facilities in Calgary.

Accomplishments:

- A consultant - Resource Management Consultants - has been appointed to carry out programming for a new courthouse in Calgary. Following a scheduled tour to recently constructed court facilities in other locations in North America, consultative committees will be established and detailed programming will follow.

ANNUAL REPORT 1997-1998

Initiative #6:

Implement the approved recommendations of Correctional Services' Efficiency Review initiative.

Accomplishments:

- The cost-effective implementation of the approved Efficiency Review Committee recommendations occurred without compromising public safety. A significant reduction in overall expenditures has been achieved.

Initiative #7:

Review and amend department regulations according to the government's Regulatory Review Plan.

Accomplishments:

- Alberta Justice continues to support the requirements of the government's Regulatory Review Plan.

Initiative #8:

Streamline the administrative and financial processes of estate administration services.

Accomplishments:

- During the quarter ended December 31, 1997, the Public Trustee's Office converted from pre-printed cheques to cheques produced by an MICR capable laser printer. The new process resulted in a reduction of manual effort to produce cheque payments and also reduced the cost of cheque stock.
- An amendment was made to the *Public Trustee Act* to increase the limit from $2,000 to $4,000 of a trust balance that may be paid to a responsible adult on behalf of an infant. The amendment was implemented during 1997/98 and resulted in a reduction in the volume of infant's trusts undertaken.
- Responsibility for distribution of minors' trust accounts was transferred to financial services from trust administration services. The new process reduced costs and provided trust officers with more time to deal with more complex estate administration matters.
- The Public Trustee's Office conducted a review of the P.W.S.S. Common Electronic Data Interchange (EDI) initiative. CGI Information Systems & Management Consultants Inc. conducted an informal study of opportunities for electronic commerce between estates and the business community. The study concluded that payment processes were optimized and the cost of implementing EDI would be higher than any benefit derived.
- The *Public Trustee Act* and the *Dependent Adults Act* were reviewed to ensure that there were no unneeded program responsibilities. As a consequence of the reviews, a new process was established to simplify application of the *Dependent Adults Act* and changes were implemented to sections of the *Public Trustee Act* that affect missing beneficiaries. Otherwise, the review concluded that current legislation and regulations relating to the Public Trustee's Office are valid and necessary.

ANNUAL REPORT 1997-1998

- A committee struck to implement conversion to amalgamated estate administration services completed its mandate and presented its final report. Amalgamated estate services were implemented in the Edmonton office and will be implemented in the Calgary office during 1998/99.

Initiative #9:

Streamline the administration and service delivery of the Maintenance Enforcement Program.

Accomplishments:

- Service delivery enhancements were made in the payments area with the addition of two new maintenance payment options. Clients can now make their payments from home by utilizing a telephone or PC banking service with their financial institution. Since implementation in December 1997, 602 payments totalling $245,309.00 have been received through telephone or PC banking. Since this type of payment is guaranteed, the creditors receive their payments within two days of receipt. Clients who travel now have the option of making a payment from virtually anywhere in the world by utilizing Western Union's Quick Collect Service. Guaranteed payments are received by the program within minutes of the debtor's payment and creditors receive the monies within two days. Since implementation in October 1997, there have been 122 payments through Western Union totalling $129,895.00.
- The federal Child Support Guidelines became effective on May 1, 1997, and provide the program with the additional enforcement tool of federal licence denial. This enforcement tool can suspend a delinquent debtor's passport or aviation or maritime licences. To date, Alberta leads the nation with 592 denials issued by March 31, 1998. The collected amount of $125,191.00 is attributed to this enforcement action.
- Enhancements were made through the automation of federal tracing requests and garnishment of federal monies. The program can now communicate online with Justice Canada, which speeds up the process considerably.
- During 1997/98, the minister established an MLA Review Committee to produce a report and recommendations on improving the effectiveness of the program and child access.

STRATEGY 5:
To develop appropriate dispute resolution mechanisms.

The administration of justice is largely concerned with the resolution of disputes. Over time, procedures were developed to balance fairness and equity between the parties involved in the disputes. In some cases, the formalization of these procedures has become an impediment to a speedy, equitable and effective discharge of justice. The ministry will develop mechanisms that lead to quick and cost effective dispute resolution. On the criminal side, this will entail greater use of diversion programs for less serious crimes. On the civil side, increased use of mediation and shortened trial type procedures will facilitate the objective of obtaining timely and equitable resolutions to disputes.

ANNUAL REPORT 1997-1998

Initiative #1:

Implement Bill C-41 amendments to the Criminal Code.

Accomplishments:

- Programs were implemented to respond to Bill C-41. Specifically, the provision of intensive community based offender supervision programs occurred in response to increased demand.

Initiative #2:

Implement an Alternative Measures Program for adult offenders and expand the Alternative Measures Program for young offenders.

Accomplishments:

- As of February 12, 1998, there were approximately 4,198 cases in the Adult Alternative Measures Program. The diversion of Young Offender Alternative Measures cases from the formal court process also contributed to reducing court services costs.
- Community Corrections staff worked cooperatively with local Crown prosecutor's offices to operate the Adult and Young Offender Alternative Measures Programs. Community Corrections staff also worked collaboratively with the Justice Committees around the province in the supervision of agreements which offenders entered as an Adult Alternative Measure.
- Implementation of the new Adult Alternative Measures has allowed the ministry to introduce restorative justice concepts into its programming. Victims are contacted and given the opportunity to participate in the offender's disposition. In appropriate situations, offenders and victims are guided through a victim/offender reconciliation process so that the victims of crime have more of an opportunity to resolve any outstanding issues they might have with respect to being victimized.
- Use of a charitable donation as an Adult Alternative Measure consequence option is a new concept which has been implemented this year. Donations made by offenders contribute to the financial resources of many charitable societies in the province.

Initiative #3:

Assess the options available for the implementation of alternative dispute resolution in civil cases.

Accomplishments:

- Perhaps the most significant innovation implemented under the guidance of the Court Services division was the Edmonton Civil (Small Claims) Mediation Pilot Project. This project commenced in November 1997. The project allows litigants in a Small Claims action in Edmonton to appear before a volunteer mediator to see if the matter can be resolved without the necessity of a trial. The mediation process allows the litigants to discuss issues with a mediator in a less adversarial environment than the court trial process. Although it is too early to judge the success of the mediation project, early indications are that it is achieving positive results. Plans are also under consideration for expansion of the program to the Calgary civil division of provincial court.

ANNUAL REPORT
1997-1998

Initiative #4:

Promote the use of appropriate dispute resolution techniques as a means of resolving legal disputes involving the government.

Accomplishments:

- Civil Law was part of an interdepartmental and private sector task force that developed a model government construction contract incorporating modern alternative dispute resolution processes.

STRATEGY 6:
To examine program delivery alternatives.

Innovative approaches to service delivery were implemented in 1997/98 to address many of the issues facing the ministry. These alternatives will help to ensure continued high levels of public service in a more cost effective manner.

Initiative #1:

Work with police services and employers of special constables to examine the role of special constables in policing and determine if they can be made more cost effective and efficient in delivering policing services.

Accomplishments:

- Public Security completed a survey of employers of special constables and police services regarding the role of special constables. Employers were generally satisfied with the authority provided to special constables and police services are working with the special constable services. Officer safety was raised as an issue.
- Public Security worked with employers of special constables and the RCMP to develop a protocol permitting special constables to carry pepper spray to address the issue of officer safety.
- Public Security worked with police services and RCMP detachments to appoint civilian staff as special constables to perform administrative duties as peace officers, enabling police officers to spend more time in the community.

Initiative #2:

Expand the partnership with the RCMP in the administration of the provincial policing agreement to enhance accountability, improve cost effectiveness and citizen satisfaction.

Accomplishments:

- Public Security had monthly or more frequent meetings with the RCMP to review financial and policing issues.
- Public Security has been working with RCMP "K" division to evaluate the activities of the last year, considering the provincial policing priorities, and to review and update these priorities, as required, for the upcoming fiscal year.
- Security Operations entered into a partnership agreement with the RCMP to provide for joint Instructional Techniques courses to be taught at the Alberta Justice Staff College. The use of existing in-house instructors has resulted in a net saving to the program.

ANNUAL REPORT 1997-1998

Initiative #3:

Monitor federal government implementation of the federal *Firearms Act*.

Accomplishments:

- The Alberta government determined it would no longer be involved in the delivery of firearms control administrative services. The ministry and Public Security worked in cooperation with other opting-out provinces and territories to transfer this function to the federal government. This will mean the province will not be involved in the delivery of the highly unpopular and controversial new federal firearms control program as set out in the *Firearms Act* (Bill C-68). (Note: This transfer of responsibility occured in the summer of 1998.)

Initiative #4:

Review the *Provincial Offences Procedure Act* to find ways to make it more effective.

Accomplishments:

- Work in this area takes place internally in the ministry and through the *Provincial Offences Procedure Act* (POPA) Committee, which has ministerial and police representatives. Amendments were made to the Act and its regulations to accommodate the surcharge under the *Victims of Crime Act*.

Initiative #5:

Review transcription services to determine if transcripts can be provided on a more cost effective basis.

Accomplishments:

- Court Services started a review of its transcription services by testing the viability of using new digital recording equipment in selected courtrooms. An assessment of the digital recording equipment is expected to be completed by March 31, 1999.

Initiative #6:

Expand the adult community-based correctional programs.

Accomplishments:

- Correctional Services implemented and used the House Arrest Program to reduce the number of intermittent servers in custody in Calgary and Edmonton. There was no increased risk to the public. This program also reduced costs to administer these sentences. The Edmonton Attendance Centre costs approximately $7/day compared to an average cost of about $65/day to incarcerate an adult offender.
- Offender work crews were provided to the Lac La Biche region to support Alberta Environmental Protection in the development of the Lakeland Provincial Park.
- Minimum security offender work crews were involved in numerous community work projects across the province. Many of these projects were completed in collaboration with other government ministries, municipalities or non-profit groups. Community work completed for 1997/98 totalled 1,141,529 hours or $5.7 million.
- Correctional Services was involved in the expansion of the Edmonton Attendance Centre to Calgary. Originally designed as a replacement for Belmont Correctional

Centre, an Attendance Centre is an open-door facility which contains space for the delivery of programs such as addictions, anger management, offender supervision and assembly areas for community service work crews. Because of the stringent supervision standards in operating an attendance centre, more low risk offenders with higher needs can be confined to their residences as an alternative to incarceration. When referred to an Attendance Centre, offenders can take programming, contribute community service and then be monitored in their homes by correctional staff while they abide by a curfew.

- In a new approach to community corrections, correctional officers check on offenders under home curfews each evening and at night. The staff work in the community to monitor the home situations of offenders either by phone or in-person checks.
- The format for the programs at the Edmonton Attendance Centre was changed so that more offenders can attend. By working with the private agency program providers, more programs were delivered at night and during the weekend. This has contributed to an increase in the number of offenders participating with no increase in funding.
- Mount Royal College in Calgary acted as a broker for the programs delivered at the Calgary Attendance Centre. This has allowed for an assessment to be made as to which approach will best meet the needs of offenders and the requirements of the ministry.
- The Edmonton House Arrest Program was refined to enhance public safety. This program assigns offenders serving intermittent sentences in Calgary and Edmonton to a community service work crew during the day on Saturdays and Sundays. The offenders are then confined to their residences during the evening hours while their warrant of committal is in effect. Since the offenders are not considered for a regular Temporary Absence until the 1/2 point in their sentence as opposed to the normal 1/6 point of eligibility, this constitutes a more onerous method of serving their weekend sentences. It also allows for the offenders to make contributions to their community and reduces the demand for custody accommodation in administering these sentences.
- Two additional work camp programs were designed and implemented for young offenders. The ministry has built on the successful Shunda Creek Youth Corrections Camp program, providing additional opportunities for offenders to serve their sentences and acquire skills which will increase their potential for success upon release from custody. The camp programs appear to have contributed to increased public confidence in the young offender corrections system while providing relatively low-cost correctional housing and programming.

Initiative #7:

Explore issues regarding the development of an Aboriginal open custody young offender work camp operated by an Aboriginal organization.

Accomplishments:

- A contract was established with the bands of the Wabasca-Desmarais area and participation in discussions occurred with the Dene Tha and bands near Saddle Lake, Hobbema and Lesser Slave Lake. These cooperative ventures ensure that Aboriginal stakeholders maintain a significant role in providing community correctional services in their communities.

ANNUAL REPORT 1997-1998

Initiative #8:

Refocus the adult inmate education and vocational programs to emphasize employment and provide an adult education model.

Accomplishments:

- The adult offender educational and vocational programs were refocused to emphasize employment during the day with relevant programming during the evening hours.

Initiative #9:

Develop enhanced programs and services for victims of crime under the new *Victims of Crime Act*, which is to be proclaimed in 1997.

Accomplishments:

- The ministry developed the *Victims of Crime Act* (VOCA) by consolidating services provided by the former *Victims' Programs Assistance Act* and the *Criminal Injuries Compensation Act*. Under the new legislation, all victim programs and services offered by the province are funded by Criminal Code and Provincial Statute Offence fine surcharges. This change realizes a $1.3 million dollar annual saving to the voted General Revenue Fund (GRF). VOCA was proclaimed in 1997 as planned.
- The switch to a totally surcharge-funded model allows for significant enhancements to services to victims. Additional funding is available for grants to programs which deliver front-line victim services and more resources are available for financial benefits to individual victims of violent crime.
- VOCA will make payments to individual victims in a way that will increase efficiency and be more customer friendly than the previous system. One time lump payments are delivered through a streamlined administrative process that bases benefits on the severity of the injury a victim has incurred.
- Partnerships with community groups and police services ensures that victims of crime are provided with information, assistance and support during the criminal justice process. Victim assistance programs which are supported by their communities and the Victims of Crime Fund continued to expand in 1997-98. These programs now provide services to victims in over 90 per cent of the province.
- The guiding principles of VOCA were incorporated into funding guidelines for programs. These guidelines establish funding eligibility and promote consistent service delivery throughout the province. Performance indicators were developed to measure program activity and the services provided.
- To provide victims of crime with information about the Act, the criminal justice process and programs, a series of brochures was published and distributed.
- The Victim Impact Statement Program and the Restitution Program were implemented province-wide to provide victims with opportunities to have input into sentencing.

ANNUAL REPORT 1997-1998

Initiative #10:

Review non-core estate administrative sources for opportunities of privatization.

Accomplishments:

- The Public Trustee's Office conducted a study to examine the expansion of privitization of management and the sale of real property belonging to estates. The study concluded that privatizing property management would provide no material benefit to the office or the clients that it serves due to the limited number of annual sales and rentals of real property. The study took into account problems identified by the Ontario Public Trustee concerning control issues, cost to estates and the degree of monitoring needed to ensure contract compliance. As a result of the study, a recommendation was made that wherever possible, an agent would be retained to handle sales of real property and rental of commercial and residential property, particularly of multiple dwellings.

Initiative #11:

Undertake the administration of estates for dependent persons having nominal assets who are in need of trusteeship.

Accomplishments:

- Agreement on process between the ministries of Health and Family and Social Services was initiated. Implementation of the benefits administration pilot project will begin thereafter.

Initiative #12:

Review the future of the Legal Aid Staff Counsel Pilot Project in consultation with the Legal Aid Society and the legal community.

Accomplishments:

- The staff council pilot project was an overall success from a quality and cost effectiveness perspective. With the approval of the Law Society and the Department of Justice, the Legal Aid Society made the staff counsel in the young offenders pilot project a permanent part of the Legal Aid Program.

Strategy 7: To conduct cost sharing reviews.

Many of the ministry's programs are cost shared with the federal government. Because of restraint and restructuring at the federal level, there was a need in 1997/98 to review and re-negotiate agreements between governments. Young offenders and the exchange of services agreement for housing federal prisoners in provincial facilities were matters of discussion. A number of new federal initiatives such as child support guidelines and impending changes to the proceeds of crime legislation necessitate a vigorous dialogue on behalf of our citizens to ensure our financial entitlements are respected.

Initiative #1:

Liaise with the federal government on amendments to the *Young Offenders Act*, issues significant to the juvenile justice system and the federal/provincial cost sharing agreement.

ANNUAL REPORT 1997-1998

Accomplishments:

- Correctional Services dealt constructively with the federal government on matters relating to the young offender cost-sharing program. Alberta's deputy minister of justice and attorney general co-chaired the federal/provincial/territorial steering committee attached to the negotiations while the executive director of the Young Offender Branch, co-chaired the working committee.
- The ministry participated in a federal justice review and advanced Alberta's position on the model and funding for the cost shared Native Criminal Courtworker Program. Through these efforts, the ministry has moved other provinces and territories closer to the Alberta position regarding the need for a flexible program which is responsive to the unique needs of Aboriginal communities in various jurisdictions.

Initiative #2:

Review the existing agreement between Alberta and Canada and develop a strategy regarding the housing of selected federal offenders in provincial correctional centres.

Accomplishments:

- Correctional Services continued to monitor the Exchange of Services Agreement with Correctional Service of Canada to provide accommodation for selected federal offenders. This collaboration with Correctional Services of Canada ultimately contributes to the safety of the public.

Initiative #3:

Implement federal legislation concerning child support guidelines and the tax treatment of child support.

Accomplishments:

- In partnership with Family and Social Services, the judiciary, private sector and federal and provincial governments, the ministry successfully implemented the Child Support Guidelines, led by officials from Civil Law. The ministry successfully accessed federal funding to assist implementing the Child Support Guidelines.

 Two Child Support Centres (one in Edmonton and Calgary) were established to assist the public, legal community and judiciary with the new guidelines.

Initiative #4:

Develop protocols between the levels of government for the sharing of the proceeds of crime.

- On August 19, 1996, the Memorandum of Understanding (MOU) for sharing proceeds of crime was signed by the provincial minister of justice. The MOU has since been signed by the federal minister and a process for receiving proceeds of crime from the federal government has been set up. A proposal, endorsed by interested stakeholders, is currently before the Alberta justice minister, proposing a funding split of 70 per cent of the monies for law enforcement and 30 per cent or $50,000 (whichever is less) to be distributed to crime prevention/drug education projects.

ANNUAL REPORT
1997-1998

Strategy 8: To integrate justice systems.

More than ever, the administration of justice requires better coordination of activities between stakeholders. A multi-disciplinary view of the justice system requires an effective exchange of information so that the work of the justice system, social services system and private sector will be facilitated. The initial focus in 1997/98 was integrating the systems internal to the ministry. This was accomplished through the development of information and communication networks and the establishment of better administrative systems between stakeholders.

Initiative #1:

- Complete a feasibility study to combine the Criminal Justice Information System (CJIS) and the Court Automation Project (CAP) computer systems.

Accomplishments:

- The CAP/CJIS system re-engineering initiative is intended to combine the CAP and CJIS systems. CAP is primarily used by the courts and CJIS is primarily used by Crown prosecutors. Combining the two systems will increase efficiency as a large portion of the data on each of the systems is the same. Additionally, the CAP system is based on technology that was prevalent in the 1970s and is outdated. The project's initial phase - to identify the common and unique functions of the two systems - was begun. The ministry is now proceeding to the construction phase of the project.

Initiative #2:

Participate in the national consultation for the Federal/Provincial/Territorial Working Group on Integrated Justice.

Accomplishments:

- Alberta participated in the Working Group to share ideas and issues about information system technologies. National consultations continue to be held for the Working Group.

Strategy 9: To participate in central agency initiatives.

Alberta government central agencies continue to delegate responsibilities to the ministries. In 1997/98, the ministry worked closely with central agencies to ensure the impact of their actions are understood and procedures are modified to fit the ministry's needs.

Initiative #1:

Implement the government financial and human resource systems.

Accomplishments:

- Ministry staff from Corporate Services and Human Resource Services were seconded to the Central Team during pre and post implementation of IMAGIS (Alberta Government Integrated Management Information System) Financials and HRMS (Human Resource Management System). The ministry participated in and contributed to Central Team activities that were designed to test the new government-wide system before it was

brought into production. Alberta Justice worked cooperatively with other ministries to share resources during end-user training activities focused on IMAGIS implementation. In response to design specifications of the new system, the ministry continues to review its business processes and achieve a higher level of efficiency.

Initiative #2:

Participate in the requirements of the chief information officer.

Accomplishments:

- The ministry was represented on the Chief Information Officer Council and on the Information Technology Advisory Committee (ITAC). The purpose of these committees is to work toward common information technology solutions on a government-wide basis.
- Alberta Justice participated in two groups: the Best Practices Working Group and the Year 2000 Coordinators Committee. The Best Practices Working Group is responsible for developing best practices on Internet and Intranet deployment. The research to date is published on an internal website. The Year 2000 Coordinators Committee involves all ministries and meets monthly to discuss Year 2000 compliance.

Initiative #3:

Develop an approach to deal with delegated authority for support of the ministry's telecommunications.

Accomplishments:

- The Corporate Services division worked with PWSS and continues to liaise with PWSS, other ministries and vendors to provide the most effective use of telecommunications within the ministry.

Initiative #4:

Review the administration of the Motor Vehicle Accident Claims Program.

Accomplishments:

- Amendments to the *Motor Vehicle Accident Claims Act* were proclaimed on June 1, 1997, resulting in approximately $1.5 million in annual expenditure reductions by eliminating property damage coverage. Vehicle owners can obtain property damage coverage from their insurer.
- Motor Vehicle Accident Claims (MVAC) administration and Alberta Transportation worked with the City of Edmonton and the Edmonton Police Service to implement their new method for compensating tow truck operators and the operations of the city's vehicle impound lot for the abandoned and seized vehicle program in Alberta. The city's operations are effective and equitable and will be proposed by MVAC and Alberta Transportation as a model for potential implementation in other major municipalities in Alberta.

METHODOLOGY

Goal 1: Maintain law and order in Alberta communities.

Key Measure:

- Public satisfaction with the justice system in Alberta.
- Proportion of Alberta's population who believe they have been a victim of crime in the last year.

Methodology: Alberta Justice commissioned a poll to determine public opinion regarding the justice system. Environics West conducted the survey to obtain feedback from Albertans on the level of satisfaction with the services provided by Alberta Justice. A telephone survey was conducted with members of the general public who were randomly selected from a computer generated sample. The completed surveys were checked against the census data to ensure a representative sample across all of Alberta. A total of 751 surveys were completed between October 21 - 27, 1997. The methodology used to conduct this survey has remained unchanged from the previous fiscal year.

The two questions asked of Albertans to respond to Goal 1 are as follows:

- Generally speaking, how satisfied are you with the job that the Alberta Department of Justice is doing?
- How many times, if at all, have you yourself been a victim of crime in the past year?

With a total of 751 completed surveys, the results are reliable to within +/-3.7 per cent at the 95 per cent confidence level. For example, 52 per cent of Albertans were satisfied with the job that the Alberta Department of Justice is doing. This result can be generalized to say that between 48.3 per cent and 55.7 per cent (+/-3.7 per cent) of all Albertans were satisfied.

Goal 2: Conduct criminal and civil proceedings in a fair and effective manner.

Key Measure:

- Availability of provincial criminal court for trial.

Methodology: Performance data for the "availability of provincial criminal court for trial" is obtained from the Alberta Justice Criminal Information System (CJIS) - Lead Time Summary Report. Lead time for Provincial Court Adult Trial represents the average number of weeks between the earliest known scheduled date and the earliest known trial date (excluding continuations, adjournments, and subsequent scheduled trial dates) for all adult criminal trials in all Alberta provincial courts over the past year. The yearly lead time figure is weighted to ensure the proportionate representation of all courts and months so that the average reported represents a true weighted mean.

Goal 3: Carry out the sentences of the court in a fair and effective manner.

Key Measure:

- Escapes from secure custody.

Methodology: Escapes from secure custody is reported monthly by all adult and young offender correctional centres. A total is provided by adding the number of escapes submitted by correctional centres for the 1997/98 fiscal year.

Key Measure:

- Per diem cost per offender in adult custody.

Methodology: The data for the 1996/97 fiscal year has been revised and the data for the 1997/98 fiscal year is an estimate.

The per diem cost for each offender is calculated using the actual adult correctional centre operating expenditure divided by the daily average number of inmates in custody. The costs of operating the facility that houses the offender are not included in the per diem calculations.

Goal 4: Provide effective legal services to the government of Alberta.

Key Measure:

- Client satisfaction surveys of legal services.

Methodology: Approximately 328 Client Satisfaction Survey forms were sent out to various client department contacts who received legal services from the Civil Law division. This survey was conducted by Civil Law at the end of June and responses were received in the two month period after distribution. Of the 328 questionnaires, 247 were returned. The client departments were asked to rate Civil Law on how satisfied they were with the legal services received. Respondents provided ratings on a scale from 1 - Not at all satisfied to 5 - Very satisfied. The results were tabulated and summarized for the 1997/98 fiscal year.

Goal 5: Provide access to social programs administered by Alberta Justice.

Key Measure:

- Maintenance Enforcement Program Survey.

Methodology: The first survey to examine client satisfaction with the Maintenance Enforcement Program was conducted in 1997/98 by the Corporate Support Services branch. 1,600 clients were randomly selected from 40,235 active clients of the Maintenance Enforcement Program. As of March 10, 1998, 330 clients (236 creditors and 94 debtors) returned their questionnaires.

These results are reliable to within + /- 1.96 per cent at the 95 per cent confidence level.

Key Measure: Public Trustee's Office Survey.

Methodology: Public Trustee customer survey data are obtained from responses to questionnaires that are sent to beneficiaries of decedent's estates, parents and guardian of minors, minors on attaining majority and caregivers of dependent adults. In 1997/98, 2,231 surveys were sent out to clients with a 26 per cent response rate. The replies from our clients are summarized according to five satisfaction levels as follows: very satisfied, satisfied, neither satisfied nor dissatisfied, dissatisfied and very dissatisfied. All responses from clients are summarized annually based on their satisfaction level of services provided and the importance of the service to the client.

ANNUAL REPORT
1997-1998

Goal 6: Provide access to legal aid to those persons who are eligible.

Key Measure:

- Number of eligible persons receiving legal aid services.

Methodology: Legal aid volume is represented by the number of eligible persons receiving legal aid services. The method used to calculate those who are receiving legal aid is composed of the number of certificates issued during the year (computer generated) as well as the number of persons who received duty counsel (manual count). The two numbers added together provide the volume of clients for each fiscal year.

INDEX OF GOVERNMENT AGENCIES, FUNDS AND REPORTING ENTITIES

ENTITIES INCLUDED IN THE CONSOLIDATED GOVERNMENT REPORTING ENTITY

Ministry, Department, Fund or Agency	*Ministry Annual Report*
Agriculture Financial Services Corporation	Agriculture, Food and Rural Development
Agriculture, Food and Rural Development Revolving Fund	Agriculture, Food and Rural Development
Alberta Agricultural Research Institute	Agriculture, Food and Rural Development
Alberta Alcohol and Drug Abuse Commission	Community Development
Alberta Dairy Control Board	Agriculture, Food and Rural Development
Alberta Energy and Utilities Board	Energy
Alberta Foundation for the Arts	Community Development
Alberta Gaming and Liquor Commission	Economic Development
Alberta Heritage Foundation for Medical Research Endowment Fund	Treasury
Alberta Heritage Savings Trust Fund	Treasury
Alberta Heritage Scholarship Fund	Treasury
Alberta Insurance Council	Treasury
Alberta Intermodal Services Ltd.	Treasury
Alberta Motion Picture Development Corporation	Economic Development
Alberta Municipal Financing Corporation	Treasury
Alberta Oil Sands Technology and Research Authority	Energy
Alberta Opportunity Company	Economic Development
Alberta Pensions Administration Corporation	Treasury
Alberta Petroleum Marketing Commission	Energy
Alberta Research Council	Science, Research and Information Technology
Alberta Risk Management Fund	Treasury
Alberta School Foundation Fund	Education
Alberta Science and Research Authority	Science, Research and Information Technology
Alberta Securities Commission	Treasury
Alberta Social Housing Corporation	Municipal Affairs
Alberta Special Waste Management Corporation	Environmental Protection
Alberta Sport, Recreation, Parks and Wildlife Foundation	Community Development
Alberta Treasury Branches	Treasury
ATB Investment Services Inc.	Treasury
Chembiomed Ltd. (in liquidation)	Treasury
Credit Union Deposit Guarantee Corporation	Treasury
Crop Reinsurance Fund of Alberta	Agriculture, Food and Rural Development
Department of Agriculture, Food and Rural Development	Agriculture, Food and Rural Development
Department of Community Development	Community Development
Department of Economic Development	Economic Development
Department of Education	Education
Department of Energy	Energy
Department of Environmental Protection	Environmental Protection
Department of Family and Social Services	Family and Social Services
Department of Justice	Justice
Department of Municipal Affairs	Municipal Affairs
Department of Public Works, Supply and Services	Public Works, Supply and Services
Department of Science, Research and Information Technology	Science, Research and Information Technology
Department of Transportation and Utilities	Transportation and Utilities
Department of Treasury	Treasury

ENTITIES INCLUDED IN THE CONSOLIDATED GOVERNMENT REPORTING ENTITY-CONTINUED

Ministry, Department, Fund or Agency	*Ministry Annual Report*
Economic Development and Tourism Revolving Fund	Economic Development
Education Revolving Fund	Education
Environmental Protection and Enhancement Fund	Environmental Protection
Environmental Protection Revolving Fund	Environmental Protection
475342 Alberta Ltd. (in liquidation)	Treasury
Gainers Inc.	Treasury
Gas Alberta Operating Fund	Transportation and Utilities
Historic Resources Fund	Community Development
Human Rights, Citizenship and Multiculturalism Education Fund	Community Development
Livestock Patrons' Assurance Fund	Agriculture, Food and Rural Development
Lottery Fund	Economic Development
Ministry of Advanced Education and Career Development [1]	Advanced Education and Career Development
Ministry of Agriculture, Food and Rural Development	Agriculture, Food and Rural Development
Ministry of Community Development	Community Development
Ministry of Economic Development	Economic Development
Ministry of Education	Education
Ministry of Energy	Energy
Ministry of Environmental Protection	Environmental Protection
Ministry of Executive Council [1]	Executive Council
Ministry of Family and Social Services	Family and Social Services
Ministry of Health [1]	Health
Ministry of Intergovernmental and Aboriginal Affairs [1]	Intergovernmental and Aboriginal Affairs
Ministry of Justice	Justice
Ministry of Labour [1]	Labour
Ministry of Municipal Affairs	Municipal Affairs
Ministry of Public Works, Supply and Services	Public Works, Supply and Services
Ministry of Science, Research and Information Technology	Science, Research and Information Technology
Ministry of Transportation and Utilities	Transportation and Utilities
Ministry of Treasury	Treasury
N.A. Properties (1994) Ltd.	Treasury
Natural Resources Conservation Board	Environmental Protection
NFI Finance, Inc. (in liquidation)	Treasury
Persons with Developmental Disabilities Foundation	Family and Social Services
Public Works, Supply and Services Revolving Fund	Public Works, Supply and Services
S C Financial Ltd.	Treasury
Science and Research Fund	Science, Research and Information Technology
The Alberta Government Telephones Commission	Treasury
The Alberta Historical Resources Foundation	Community Development
The Government House Foundation	Community Development
The Wild Rose Foundation	Community Development
Transportation Revolving Fund	Transportation and Utilities
Treasury Revolving Fund	Treasury
Utility Companies Income Tax Rebates Fund	Treasury
Victims of Crime Fund	Justice

[1] Ministry includes only the department so separate department information is not necessary.

ENTITIES NOT INCLUDED IN THE CONSOLIDATED GOVERNMENT REPORTING ENTITY

Fund or Agency	*Ministry Annual Report*
Alberta Cancer Board	Health
Alberta Heritage Foundation for Medical Research	Science, Research and Information Technology
Alberta Teachers' Retirement Fund Board	Education
Improvement Districts Trust Account	Municipal Affairs
Local Authorities Pension Plan	Treasury
Long-Term Disability Benefit Fund-Bargaining Unit	Advanced Education and Career Development
Long-Term Disability Benefit Fund-Management, Opted Out and Excluded	Advanced Education and Career Development
Management Employees Pension Plan	Treasury
Provincial Judges and Masters in Chambers Pension Plan	Treasury
Provincial Mental Health Advisory Board	Health
Public Post Secondary Institutions	Advanced Education and Career Development
Public Service Management (Closed Membership) Pension Plan	Treasury
Public Service Pension Plan	Treasury
Regional Health Authorities	Health
School Boards	Education
Special Areas Trust Account	Municipal Affairs
Special Forces Pension Plan	Treasury
Universities Academic Pension Plan	Treasury
Workers' Compensation Board	Labour

FINANCIAL STATEMENTS

ANNUAL REPORT
1997-1998

ANNUAL REPORT
1997-1998

Ministry of Justice

Consolidated Financial Statements

March 31, 1998

Auditor's Report 57
Consolidated Statement of Operations 60
Consolidated Statement of Changes in Financial Position 61
Consolidated Statement of Assets, Liabilities and Net Assets 62
Notes to the Consolidated Financial Statements 63
Schedule of Revenues 73
Schedule of Budget 74
Schedule of Expenses Detailed by Object 75
Schedule of Purchase of Capital Assets 76

AUDITOR GENERAL
Alberta

AUDITOR'S REPORT

To the Members of the Legislature Assembly

I have audited the consolidated statement of assets, liabilities and net assets of the Ministry of Justice as at March 31, 1998, and the consolidated statements of operations and changes in financial position for the year then ended. These consolidated financial statements are the responsibility of the management of the Ministry. My responsibility is to express an opinion on these consolidated financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

The Ministry is required to follow the corporate government accounting policies and reporting practices as disclosed in Note 3. These accounting policies were established by Alberta Treasury and are consistent across ministries. With certain exceptions, the basis of accounting is in accordance with generally accepted accounting principles. My reservation of opinion in this auditor's report identifies the exceptions from generally accepted accounting principles that arise from following the accounting policies established by Alberta Treasury.

The following accounting policies are exceptions from generally accepted accounting principles:

Pension obligations

Obligations to pension plans for current and former employees of the Ministry have not been recognized as a liability in the accompanying consolidated statement of assets, liabilities, and net assets and consequently the annual change in the liability has not been recognized in the consolidated statement of operations. In my view, on a basis of allocation similar to that used for Provincial agencies, an amount of approximately $12.7 million representing accrued benefits at March 31, 1998, in the Ministry's capacity as employer, and which is reflected in the consolidated financial statements of the Department of Treasury, should be recognized as a liability in these financial statements. The effect of not recognizing the annual change in the liability is to overstate the Ministry's expenses for the year ended March 31, 1998, by $7.4 million.

Long-term disability benefits

Unfunded accrued long-term disability benefits have not been recognized as a liability in the accompanying consolidated statement of assets, liabilities and net assets, and consequently the annual change in the liability has not been recognized in the consolidated statement of operations. During the year ended March 31, 1998, the liability for the benefits for all departments, which was recorded in the financial statements of the Department of Treasury, was fully funded. However, unfunded benefits for all departments that were recorded in the financial statements of the two Long-term Disability Benefit Funds have not been allocated. In my view, the Ministry's liabilities at March 31, 1998 are understated by approximately $770,000 and expenses for the year ended March 31, 1998, are understated by approximately $2.4 million.

Capital assets

During the current year the Ministry expensed approximately $3.9 million of capital asset purchases under $15,000. Consequently, a significant amount of resources available to the Ministry have been recorded as if they have been consumed. In my view, additional capital assets purchased in the current year of approximately $3.9 million, and amortization of approximately $650,000, should be recognized in these financial statements. The effect of not recording these capital assets under $15,000 is to overstate expenses for the year ended March 31, 1998 by approximately $3.25 million.

Excluded direct costs

Accommodation and certain other administration costs incurred in the operation of the Ministry have not been included in expenses. These costs, estimated at $44.5 million for accommodation only, are recorded by the ministries that paid the expenses on behalf of the Ministry.

Claims under the Motor Vehicle Accident Claims Act

The Ministry has the responsibility to evaluate and pay claims under this Act. When such claims are likely payable, generally accepted accounting principles require that claims made are booked as an expense of the period and set up as liabilities. Although individual claims have not been evaluated for the likelihood of settlement, past experience permits the Ministry to compute an estimate. Of the $221 million in outstanding claims, it is estimated that $13.4 million will be paid. The effect of not reflecting these claims in the financial statements is to understate liabilities at March 31, 1998 by $13.4 million and understate expenses for the year ended March 31, 1998 by $300,000.

In my opinion, except for the effects of the matters discussed in the preceding sections, these financial statements present fairly, in all material respects, the financial position of the Ministry as at March 31, 1998, and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles.

Peter Valentine FCA
Auditor General

Edmonton, Alberta
May 22, 1998

Ministry of Justice
Consolidated Statement of Operations
For the Year Ended March 31, 1998

(in thousands)

	1998 Budget (Schedule 2)	1998 Actual	1997 Actual
Revenues (Schedule 1)			
Transfers from Government of Canada	$ 25,413	$ 25,293	$ 25,961
Investment Income	105	4	89
Premiums, Fees and Licences	31,910	32,926	32,438
Other Revenue	45,882	51,416	42,728
	103,310	109,639	101,216
Expenses			
Voted: (Schedule 3)			
Ministry Support Services	12,275	12,315	13,551
Court Services	62,814	63,608	60,950
Legal Services	37,174	40,466	35,792
Support for Legal Aid	22,542	22,542	22,542
Public Trustee	6,089	6,240	5,701
Fatality Inquiries	3,486	3,503	3,525
Public Security	92,680	92,350	92,933
Correctional Services	100,302	98,854	97,609
	337,362	339,878	332,603
Statutory: (Schedule 3)			
Motor Vehicle Accident Claims	26,750	26,338	27,115
Regulated Fund: (Schedule 3)			
Victims of Crime	4,500	2,434	731
Valuation Adjustments			
Provision for Doubtful Accounts	400	(163)	2,853
Provision for Vacation Pay	-	5,436	(2,196)
	400	5,273	657
Write down of Capital Assets	-	1,258	-
Loss on Disposal of Capital Assets	-	-	2
	-	1,258	2
	369,012	375,181	361,108
Net Results from Operations	(265,702)	(265,542)	(259,892)
Net Contribution from General Revenues (Note 8)	265,702	269,837	259,562
Net Income (loss)	$ -	$ 4,295	$ (330)

The accompanying notes and schedules are part of these financial statements.

Ministry of Justice
Consolidated Statement of Changes in Financial Position
For the Year Ended March 31, 1998

	(in thousands) 1998	1997
Operating Transactions:		
Net Results from Operations	$ (265,542)	$ (259,892)
Non- cash items included in Net Operating Results		
Amortization	518	913
Write Down of Capital Assets	1,258	-
Loss on Disposal of Capital Assets	-	2
Valuation Adjustments	5,273	657
	(258,493)	(258,320)
Increase in Accounts Receivable	(8,716)	(2,721)
Decrease in Advances	14	59
Increase in Accounts Payable and Accrued Liabilities	4,122	16,638
Increase (Decrease) in Unearned Revenues	120	(24)
Net Cash Used by Operations	(262,953)	(244,368)
Net Contribution from General Revenues	269,837	259,562
Cash Provided by Operating Transactions	6,884	15,194
Investing Transactions:		
Purchase of Capital Assets	(1,136)	(274)
Cash Used by Investing Transactions	(1,136)	(274)
Net Cash Provided	5,748	14,920
Due from General Revenues and Cash, Beginning of Year	21,862	6,942
Due from General Revenues and Cash, End of Year	$ 27,610	$ 21,862
Due from General Revenues and Cash represented by:		
Due from General Revenues	17,251	20,561
Cash	10,359	1,301
	$ 27,610	$ 21,862

The accompanying notes and schedules are part of these financial statements.

Ministry of Justice
Consolidated Statement of Assets, Liabilities and Net Assets
As at March 31, 1998

	(in thousands)	
	1998	1997
Assets		
Cash (Note 4)	$ 10,359	$ 1,301
Accounts Receivable (Note 5)	37,210	28,331
Advances (Note 6)	81	95
Capital Assets (Note 7)	2,084	2,724
Due from General Revenues	17,251	20,561
	$ 66,985	$ 53,012
Liabilities		
Accounts Payable and Accrued Liabilities	$ 60,787	$ 51,229
Unearned Revenue	904	784
	61,691	52,013
Net Assets		
Net assets, beginning of year	999	1,329
Net income (loss)	4,295	(330)
Net assets, end of year	5,294	999
	$ 66,985	$ 53,012

The accompanying notes and schedules are part of these financial statements.

MINISTRY OF JUSTICE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 1998

($ in thousands)

Note 1 Authority

The Minister of Justice has been designated as responsible for various Acts by the Government Organization Act and its regulations. To fulfill these responsibilities, the Minister administers the organizations listed below. The authority under which each organization operates is also listed. Together, these organizations form the Ministry of Justice.

Organization	Authority
The Department of Justice	Government Organization Act
Victims of Crime Fund	Victims of Crime Act

Note 2 Purpose

The Ministry's purpose is to ensure equality and fairness in the administration of justice in Alberta. The Ministry's goals are: to maintain law and order in Alberta communities; conduct criminal and civil proceedings and carry out the sentences of the court in a fair and effective manner; provide effective legal services to the Government of Alberta; provide access to social programs administered by Alberta Justice; and provide access to legal aid to those persons who are eligible.

Note 3 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with the following accounting policies that have been established by government for all departments. The recommendations of the Public Sector Accounting and Auditing Board of the Canadian Institute of Chartered Accountants are the primary source for the disclosed basis of accounting. Recommendations of the Accounting Standards Board of the Canadian Institute of Chartered Accountants, other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector are used to supplement the recommendations of the Public Sector Accounting and Auditing Board where it is considered appropriate.

Note 3 Summary of Significant Accounting Policies and Reporting Practices (continued)

(a) Reporting Entity

The reporting entity is the Ministry of Justice for which the Minister of Justice is accountable. These financial statements include the activities of the Department of Justice, of which the Motor Vehicle Accident Claims program (a statutory appropriation) is a part, and the Victims of Crime Fund (a regulated fund).

(b) Basis of Financial Reporting

Basis of Consolidation

The accounts of the Department and the Victims of Crime Fund are consolidated after adjusting them to a basis consistent with the accounting policies described below. Revenue and expense transactions, investing and financing transactions, and related asset and liability accounts between entities within the Ministry have been eliminated.

Revenues

All revenues are reported on the accrual basis of accounting except for Motor Vehicle Accident Claims judgements debts. Cash received for which goods or services have not been provided by year end is recorded as unearned revenue.

Expenses

Expenses represent the costs of resources consumed during the year on the Ministry's operations. Expenses include amortization of capital assets.

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year and additional employer contributions for employees' service relating to prior years.

Certain expenses, primarily for buildings, utilities and banking services, incurred on behalf of the Ministry by other Ministries are not reflected in the Consolidated Statement of Operations. Certain other expenses, primarily for legal services, incurred by the Ministry, on behalf of other Ministries are included in the Consolidated Statement of Operations.

Note 3 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Valuation Adjustments

Valuation adjustments include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to guarantees, indemnities, and deficits of provincial agencies within the Ministry.

Assets ($ in thousands)

Financial assets of the Ministry are limited to financial claims, such as advances to and receivables from other organizations, employees and other individuals.

Capital assets of the Ministry are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $100 and the threshold for all other capital assets is $15. Assets acquired by right are not included.

Due from General Revenues is the difference at fiscal year end between the value of assets held by the Ministry and its liabilities.

Liabilities

Liabilities include all financial claims payable by the Ministry at fiscal year end, except long term disability benefits and certain pension benefits, which are reflected in the financial statements of Treasury Department on behalf of all Ministries.

Fair Value of Financial Instruments

Short term financial instruments are valued at their carrying amounts included on the Consolidated Statement of Assets, Liabilities and Net Assets, which are reasonable estimates of fair value due to the relatively short period to maturity of the instruments. This approach applies to accounts receivable, accounts payable and accrued liabilities, advances, and due from General Revenues.

Note 3 Summary of Significant Accounting Policies and Reporting Practices (continued)

(c) Change in Accounting Policy ($ in thousands)

Effective April 1, 1996, valuation adjustments that were previously reported in the financial statements of Treasury on behalf of the Ministry, are reported by the Ministry in the Consolidated Statement of Operations. Net operating results from continuing operations decreased and net contributions from General Revenues increased by $5,273 (1997-net operating results decreased and net contributions from General Revenues increased by $657) as a result of this change.

Effective April 1,1996, the Ministry reports liabilities associated with vacation entitlements. These liabilities were previously reported in the financial statements of Treasury. Accounts payable and accrued liabilities have increased and Due from General Revenues has increased by $5,436 (1997 $14,500) as a result of this change.

Effective April 1, 1997, liabilities for personal injury claims under the Motor Vehicle Accident Claims program are accrued when a Court Ordered judgement is received. In prior years, liabilities were accrued when the Assignment of Judgement was executed which was subsequent to the date of the Court Ordered judgement.

Note 4 Cash ($ in thousands)

Effective April 1, 1997, cash held in bank accounts controlled by the Ministry that had been previously reported in the financial statements of Treasury on behalf of the Ministry are reported by the Ministry in the Consolidated Statement of Assets, Liabilities and Net Assets.

Cash includes deposits of $1,678 in the Consolidated Cash Investment Trust Fund (CCITF) of the Province of Alberta for the Victims of Crime Fund. CCITF is being managed with the objective of providing competitive interest income to depositors while maintaining maximum security and liquidity of depositors' capital. The portfolio is comprised of high-quality short-term and mid-term fixed income securities with a maximum term to maturity of five years. The Fund earns interest on its daily cash balance at the average rate of earnings of the CCITF, which may vary depending on prevailing market interest rates.

Note 5 Accounts Receivable ($ in thousands)

	1998			1997
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Government of Canada	$ 8,538	$ -	$ 8,538	$ 8,048
Other	30,927	2,255	28,672	20,283
	$ 39,465	$ 2,255	$ 37,210	$ 28,331

Accounts receivable are unsecured and non-interest bearing.

Note 6 Advances ($ in thousands)

	1998			1997
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Accountable advances	$ 81	$ -	$ 81	$ 95

This represents repayable travel accountable advances.

Note 7 Capital Assets ($ in thousands)

		1998			1997
	Estimated Useful Life	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Equipment	10 years	$ 4,878	$ 3,491	$1,387	$ 1,053
Computer hardware and software	5 years	11,930	11,233	697	1,671
Total		$ 16,808	$ 14,724	$2,084	$ 2,724

Equipment includes heavy equipment, vehicles, and other equipment.

Note 7 Capital Assets ($ in thousands) (continued)

The change in the net book value is a result of current year capital additions less amortization charges and a write down of $1,258 for the Maintenance Enforcement Program Re-Hosting System investment. The write down is the difference between the total capital investment ($1,647) commencing in 1994/95 and the accumulated amortization ($389) as at March 31, 1997. A comprehensive review of the planned system indicates that it will no longer meet the program's needs making it necessary to write down the investment to nil.

Note 8 Net Contribution from General Revenues

Since revenues generated by the Department are less than the expenses of the Department, additional funding is provided from General Revenues of the Province. Net contributions to the Department from General Revenues together with the revenues reported by the Department provide the total funding for the Department's expenses.

Note 9 Commitments ($ in thousands)

As at March 31, 1998, the Ministry is committed under contracts, which expire on various dates to March 2002, totaling $242,202. This includes a $231,000 commitment for the Provincial Police Service Agreement and a $64 commitment for a number of operating leases.

The Provincial Police Service Agreement with Canada is a contract for the Royal Canadian Mounted Police to provide policing services to small communities and rural areas in Alberta. The term of this contract is from April 1, 1992 to March 31, 2012. The actual cost of this police service in each of the 1996-97 and 1997-98 fiscal years was approximately $77,000. Under the terms of the agreement, Alberta may terminate the agreement with a two year notice service on March 31, in any year. The three-year commitment, based on the minimum notice period is estimated to be $231,000 as at March 31, 1998, which represents payments for policing services until March 31, 2001.

Note 9 Commitments ($ in thousands) (continued)

The Ministry leases certain equipment under operating leases, which expire on various dates to December 2001. The Victims of Crime Fund is obligated to provide monthly support payments to individuals pursuant to the Victims of Crime Act. The aggregated amounts payable for the unexpired terms of these leases and support payments are as follows:

Year	
1999	$769
2000	769
2001	758
2002	752
2003	746
Total	$ 3,794

Note 10 Contingencies ($ in thousands)

Motor Vehicle Accident Claims Act - Statutory Appropriation

Personal Injury Claims

As at March 31, 1998, unsettled claims amounting to approximately $220,670 (1997 $251,000) had been made for personal injury and property damages under the Motor Vehicle Accident Claims Act which are considered to be contingent liabilities. The Motor Vehicle Accident Claims Act specifies that in order for the Minister to authorize payment of a claim, a Court judgment must be obtained.

The Motor Vehicle Accident Claims program becomes involved in these claims only as a result of the existence of the Motor Vehicle Accident Claims Act. Consistent with this legislated responsibility in respect to persons injured in motor vehicle accidents, the Program is funded each year by a statutory appropriation in an amount equal to the expected amounts which will be established each year as being payable by the Program. In line with this, program liabilities are accrued when a Court Ordered judgement is received and these amounted to $916 at March 31, 1998. In 1997, no estimate was made.

Note 10 Contingencies ($ in thousands) (continued)

Supplementary Medical and Rehabilitation Claims

As at March 31, 1998, the maximum amount that may be payable in respect of these claims pursuant to the limits set in Section 20 of the Motor Vehicle Accident Claims Act is approximately $47,600. The estimated liability for medical expenses for claims filed up to March 31, 1998, is $6,461 and has been recorded as a liability. The unrecorded part of this liability, which is considered to be a contingent liability is $41,139.

Other Claims

As at March 31, 1998, the Ministry was named in various legal actions. The total claimed in specific legal actions amounted to approximately $28,593 (1997 $15,500). No provision has been made in these financial statements for losses related to these legal actions because the likelihood of financial loss to the Ministry has been assessed as either not determinable or unlikely.

As at March 31, 1998, the Fund had received applications from individuals for financial benefits with sufficient information to evaluate eligibility and assess an amount owed within the limits set in the regulations to the Victims of Crime Act. A liability of $72 has been recorded for these applications. The remaining applications had insufficient information to determine eligibility or an amount likely to be paid and have been considered a contingent liability for which an amount cannot be reasonably estimated.

Note 11 Related Party Transactions ($ in thousands)

The Ministry paid $5,465 (1997 $4,864) to various other Government of Alberta departments, agencies or funds for supplies and/or services during the fiscal year. In addition, the Ministry paid Payment Systems Corporation, a joint venture partially owned by the Province of Alberta, $441 (1997 $555) for computer processing. The Ministry provided legal and related services without charge to other Ministries. Accommodation was provided by the Department of Public Works, Supply and Services without charge to the Ministry but had an estimated value of $44,479 (1997 $47,802). Some central agency services were provided to the Ministry by other Ministries without charge. There were no receivables from or payables to related parties outstanding at year end.

The Ministry and its employees paid certain taxes and fees set by regulation for permits, licenses, and other rights. These amounts were incurred in the normal course of business and reflect charges applicable to all users.

Note 12 Trust Funds Under Administration ($ in thousands)

The Ministry administers trust funds that are regulated funds consisting of public money over which the Legislature has no power of appropriation. Because the Province has no equity in the funds and administers them for the purpose of various trusts, they are not included in the Ministry's financial statements.

Trust funds under administration were as follows:

	1998	1997
Public Trustee	$ 309,481	$ 305,299
Various Courts and Sheriff's Office	35,380	41,202
Fines Distribution Trust	3,319	3,846
Maintenance Enforcement	2,513	1,792
Solicitors Trust	874	1,189
Institutional Trust	284	367
	$ 351,851	$ 353,695

Note 13 Payments Under Agreement ($ in thousands)

The Ministry has an agreement to disburse the provincial share of net forfeitures from proceeds of crime on behalf of Justice Canada. Proceeds received from Canada under this agreement are in accordance with Section 10 of the federal Seized Property Management Act resulting from the investigation efforts by law enforcement agencies in Alberta.

Disbursements to law enforcement agencies and crime and drug prevention organizations under this agreement are made by the Ministry under authority of the Financial Administration Act, Section 29.1. Only the amounts received from Justice Canada and not disbursed are reflected in these financial statements.

Amounts payable to law enforcement agencies and crime and drug prevention organizations under this agreement with Justice Canada for the year ended March 31, 1998 are $792 and are reflected in the Consolidated Statement of Assets, Liabilities and Net Assets.

Note 14 Uncertainty Due to the Year 2000

The year 2000 issue is the result of some computer programs being written using two digits rather than four to define the applicable year. Government computer programs that have date sensitive software may recognize a date using "00" as the year 1900 rather than the year 2000, which could result in miscalculations or system failures. In addition, similar problems may arise in some systems if certain dates in 1999 are not recognized as a valid date or are recognized to represent something other than a date. The effects of the year 2000 issue may be experienced before, on, or after January 1, 2000. If not addressed, the effect on operations and financial reporting may range from minor errors to significant systems failure that could affect the ability to conduct some government operations.

The government is currently working to resolve the potential effect of the year 2000 on the processing of date sensitive information by the government's computerized information systems in a timely manner. The costs of addressing potential problems by modifying , replacing or retiring significant portions of computerized information systems are not expected to have a material adverse effect on the province's financial condition. Despite the government's efforts to address this issue, it is not possible to be certain that all aspects of the year 2000 issue affecting the government, including those related to the efforts of customers, suppliers and other third parties, will be fully resolved.

Note 15 Comparative Figures

Certain 1997 figures have been reclassified to conform to the 1998 presentation.

Note 16 Approval of Financial Statements

The financial statements were approved by the Ministry of Justice's Senior Financial Officer and the Deputy Minister.

Ministry of Justice **Schedule 1**
Schedule to the Consolidated Financial Statements
Schedule of Revenues

For the year ended March 31, 1998

	(in thousands)		
	1998		1997
	Budget	Actual	Actual
Transfers from Government of Canada			
Young Offenders Program	$ 13,600	$ 13,610	$ 13,610
Legal Aid	6,400	6,486	6,395
Federal Inmates Program	1,350	2,376	3,901
Child Support Guidelines	2,250	1,292	-
Native Court Worker Program	765	709	931
Federal/Provincial Firearms Agreement	720	468	553
Other	328	352	571
	25,413	25,293	25,961
Investment Income			
Bank Interest	105	4	89
Premiums, Fees and Licences			
Court Fees	15,300	15,898	15,398
Motor Vehicles Accident Claims (MVAC)	12,000	12,667	12,200
Public Trustee Fees	3,285	3,352	3,390
Other	1,325	1,009	1,450
	31,910	32,926	32,438
Other Revenue			
Fines	22,000	22,885	18,735
Maintenance Enforcement Act	10,000	10,693	11,162
Fines - late payment penalty	4,500	6,899	6,953
Fine Surcharges	4,435	6,901	340
MVAC Recoveries	2,450	2,702	2,094
Refunds of expenditures	335	994	675
Miscellaneous	2,162	342	2,769
	45,882	51,416	42,728
Total Revenues	$ 103,310	$ 109,639	$ 101,216

Ministry of Justice
Schedule to the Consolidated Financial Statements **Schedule 2**
Schedule of Budget
For the Year Ended March 31, 1998

(in thousands)

	1997-98 Estimates [c]	Budget Allocations [d]	Transfer of Responsibility	1997-98 Budget	Voted Supplementary [c]	1997-98 Authorized Budget
Revenues (Schedule 1)						
Transfers from Govt of Canada	$ 25,413	-	-	$25,413	-	$ 25,413
Investment income	105	-	-	105	-	105
Premiums, Fees and Licences	31,910	-	-	31,910	-	31,910
Other Revenue	45,882	-	-	45,882	-	45,882
	103,310	-	-	103,310	-	103,310
Expenses (Schedule 3)						
Voted: [a]						
Ministry Support Services	12,275	-	-	12,275	166	12,441
Court Services	62,814	-	-	62,814	660	63,474
Legal Services	37,174	-	-	37,174	1,076	38,250
Support for Legal Aid	22,542	-	-	22,542	-	22,542
Public Trustee	6,089	-	-	6,089	132	6,221
Fatality Inquiries	3,486	-	-	3,486	54	3,540
Public Security	92,680	-	-	92,680	158	92,838
Correctional Services	100,302	-	-	100,302	1,450	101,752
	337,362	-	-	337,362	3,696	341,058
Statutory: [b]						
Motor Vehicle Accident Claims	26,750	-	-	26,750	-	26,750
Victims of Crime Fund	4,500	-	-	4,500	-	4,500
Valuation Adjustments: [b]						
Provision for Doubtful Accounts	-	400	-	400	-	400
Provision for Vacation Pay	-	-	-	-	-	-
	-	400	-	400	-	400
	368,612	400	-	369,012	3,696	372,708
Net Contribution from General Revenues	265,302	400	-	265,702	3,696	269,398

(a) In the event that actual voted expenses exceed that budgeted, the Ministry will report net liabilities. In the subsequent year, the Ministry will need to reduce its actual voted expenses below the amount budgeted to compensate for the net liabilities.

(b) In the event that actual statutory expenses and actual valuation adjustments exceed that budgeted, General Revenues will contribute enough funding to prevent net liabilities in the Ministry.

(c) Government Estimates were approved on May 29, 1997 and Supplementary Estimates were approved on February 26, 1998.

(d) Valuation adjustment transferred from Treasury.

Ministry of Justice
Schedule to the Consolidated Financial Statements **Schedule 3**
Schedule of Expenses Detailed by Object
For the Year Ended March 31, 1998

	(in thousands)		
	1998		1997
	Budget	Actual	Actual
Voted Expenses:			
Salaries, Wages and Employee Benefits	$ 179,979	$ 181,377	$ 172,378
Supplies and Services	131,876	133,840	134,665
Grants	24,564	24,087	24,599
Financial Transactions and Other	45	56	48
Amortization of Capital Assets	898	518	913
Total Voted Expenses	$ 337,362	$ 339,878	$ 332,603
Statutory Expenses:			
Financial transactions and other	$ 26,750	$ 26,338	$ 27,115
Total Statutory Expenses	$ 26,750	$ 26,338	$ 27,115
Regulated Fund Expenses:			
Salaries, wages and employee benefits	$ -	$ 57	$ -
Supplies and services	-	100	12
Grants	-	2,277	719
Financial transactions and other	4,500	-	-
Total Regulated Fund Expenses	$ 4,500	$ 2,434	$ 731

Ministry of Justice **SCHEDULE 4**

Schedule to the Consolidated Financial Statements

Schedule of Purchase of Capital Assets

For the Year Ended March 31, 1998

(in thousands)

	1997-98 Estimates	Transfers of Responsibility	1997-98 Budget	Voted Supplementary	1997-98 Authorized Budget	1997-98 Actual	1996-97 Actual
Voted							
Court Services							
2.1.2 Court Business Services	$ 1,000	$ -	$ 1,000	$ -	$ 1,000	$ 398	$ -
Legal Services							
3.5.1 Maintenance Enforcement Office	-	-	-	-	-	-	67
Fatality Inquiries							
6.03 Medical Examiner - Head Office	130	-	130	-	130	130	-
Public Security							
7.4.2 Court Security and Prisoner Escort	-	-	-	-	-	50	-
Correctional Services							
8.2.1 Edmonton Remand Centre	-	-	-	-	-	139	-
8.2.2 Fort Sask Correctional Centre	250	-	250	-	250	-	-
8.2.4 Calgary Correctional Centre	100	-	100	-	100	-	-
8.2.5 Calgary Remand Centre	300	-	300	-	300	91	-
8.2.7 Peace River Correctional Centre	-	-	-	-	-	38	133
8.2.10 Grande Prairie Young Offender	-	-	-	-	-	6	-
8.2.12 Edmonton Young Offender Centre	-	-	-	-	-	34	-
8.2.15 Calgary Young Offender Centre	-	-	-	-	-	169	74
8.2.17 Lethbridge Young Offender Centre	-	-	-	-	-	81	-
	$ 1,780	$ -	$ 1,780	$ -	$ 1,780	$ 1,136	$ 274

ANNUAL REPORT
1997-1998

Department of Justice

Financial Statements

March 31, 1998

Auditor's Report 79
Statement of Revenues and Expenses 82
Statement of Changes in Financial Position 83
Statement of Assets and Liabilities 84
Notes to the Financial Statements 85
Schedule of Revenues 95
Schedule of Budget 96
Schedule of Expenses Detailed by Object 97
Schedule of Purchase of Capital Assets 98
Schedule of Salaries and Benefits 99
Schedule of Comparison of Expenses by Element to Authorized Budget 100

AUDITOR GENERAL
Alberta

AUDITOR'S REPORT

To the Minister of Justice and Attorney General

I have audited the statement of assets and liabilities of the Department of Justice as at March 31, 1998, and the statements of revenues and expenses and changes in financial position for the year then ended. These financial statements are the responsibility of the management of the Department. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

The Department is required to follow the corporate government accounting policies and reporting practices as disclosed in Note 3. These accounting policies were established by Alberta Treasury and are consistent across departments. With certain exceptions, the basis of accounting is in accordance with generally accepted accounting principles. My reservation of opinion in this auditor's report identifies the exceptions from generally accepted accounting principles that arise from following the accounting policies established by Alberta Treasury.

The following accounting policies are exceptions from generally accepted accounting principles:

Pension obligations

Obligations to pension plans for current and former employees of the Department have not been recognized as a liability in the accompanying statement of assets and liabilities and consequently the annual change in the liability has not been recognized in the statement of revenues and expenses. In my view, on a basis of allocation similar to that used for Provincial agencies, an amount of approximately $12.7 million due to pension plans at March 31, 1998, in the Department's capacity as employer, and which is reflected in the financial statements of the Department of Treasury, should be recognized as a liability in

these financial statements. The effect of not recognizing the annual change in the liability is to overstate the Department's expenses for the year ended March 31, 1998, by $7.4 million.

Long-term disability benefits

Unfunded accrued long-term disability benefits have not been recognized as a liability in the accompanying statement of assets and liabilities and related expenses have not been recognized in the statement of revenues and expenses. During the year ended March 31, 1998, the liability for the benefits for all departments, which was recorded in the financial statements of the Department of Treasury, was fully funded. However, unfunded benefits for all departments that were recorded in the financial statements of the two Long-term Disability Benefit Funds have not been allocated. In my view, the Department's liabilities at March 31, 1998 are understated by approximately $770,000 and expenses for the year ended March 31, 1998, are understated by approximately $2.4 million.

Capital assets

During the current year, the Department expensed approximately $3.9 million of capital asset purchases under $15,000. Consequently, a significant amount of resources available to the Department have been recorded as if they have been consumed. In my view, additional capital assets purchased in the current year of approximately $3.9 million, and amortization of $650,000, should be recognized in these financial statements. The effect of not recording these capital assets under $15,000 is to overstate expenses for the year ended March 31, 1998 by approximately $3.25 million.

Excluded direct costs

Accommodation and certain other administration costs incurred in the operation of the Department are excluded from expenses. These costs, estimated at $44.5 million for accommodation only, are reported by the departments that paid the expenses on behalf of the Department.

Claims under the Motor Vehicle Accident Claims Act

The Department has the responsibility to evaluate and pay claims under this legislation. Where such claims are likely to be paid, generally accepted accounting principles require that claims made are booked as an expense of the period and set up as liabilities. Although individual claims have not been evaluated for the likelihood of settlement, past experience permits the Department to compute an estimate. Of the $221 million in outstanding claims, it is estimated that $13.4 million will be paid. The estimated effect of not reflecting these claims in the financial statements is to understate liabilities at March 31, 1998, by $13.4 million and understate expenses for the year ended March 31, 1998, by $300,000.

In my opinion, except for the effects of the matters discussed in the preceding sections, these financial statements present fairly, in all material respects, the financial position of the Department as at March 31, 1998, and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles.

Peter Valentine FCA
Auditor General

Edmonton, Alberta
May 22, 1998

Department of Justice
Statement of Revenues and Expenses
For the Year Ended March 31, 1998

(in thousands)

	1998 Budget (Schedule 2)	1998 Actual	1997 Actual
Revenues (Schedule 1)			
Transfers from Government of Canada	$ 25,413	$ 25,293	$ 25,961
Investment Income	40	(42)	28
Premiums, Fees and Licences	31,910	32,926	32,438
Other Revenue	41,447	44,493	42,388
	98,810	102,670	100,815
Expenses			
Voted: (Schedules 3 and 6)			
Ministry Support Services	12,275	12,315	13,551
Court Services	62,814	63,608	60,950
Legal Services	37,174	40,466	35,792
Support for Legal Aid	22,542	22,542	22,542
Public Trustee	6,089	6,240	5,701
Fatality Inquiries	3,486	3,503	3,525
Public Security	92,680	92,350	92,933
Correctional Services	100,302	98,854	97,609
	337,362	339,878	332,603
Statutory: (Schedules 3 and 6)			
Motor Vehicle Accident Claims	26,750	26,338	27,115
Valuation Adjustments:			
Provision for Doubtful Accounts	400	(403)	2,853
Provision for Vacation Pay	-	5,436	(2,196)
	400	5,033	657
Write down of Capital Assets	-	1,258	-
Loss on Disposal of Capital Assets	-	-	2
	-	1,258	2
	364,512	372,507	360,377
Net results from Operations	(265,702)	(269,837)	(259,562)
Net Contribution from General Revenues	265,702	269,837	259,562
Net Loss	$ -	$ -	$ -

The accompanying notes and schedules are part of these financial statements.

Department of Justice
Statement of Changes in Financial Position
For the Year Ended March 31, 1998

	(in thousands) 1998	1997
Operating Transactions:		
Net Results from Operations	$ (269,837)	$ (259,562)
Non- cash items included in Net Operating Results		
Amortization	518	913
Write Down of Capital Assets	1,258	-
Loss on Disposal of Capital Assets	-	2
Valuation adjustments	5,033	657
	(263,028)	(257,990)
Increase in accounts receivable	(4,657)	(2,726)
Decrease in advances	14	59
Increase in accounts payable and accrued liabilities	4,034	16,556
Increase (decrease) in unearned revenues	120	(24)
Net Cash Used by Operations	(263,517)	(244,125)
Net Contribution from General Revenues	269,837	259,562
Cash Provided by Operating Transactions	6,320	15,437
Investing Transactions:		
Purchase of capital assets	(1,136)	(274)
Cash Used by Investing Transactions	(1,136)	(274)
Net Cash Provided	5,184	15,163
Due from General Revenues and Cash, Beginning of Year	20,748	5,585
Due from General Revenues and Cash, End of Year	$ 25,932	$ 20,748
Due from General Revenues and Cash represented by:		
Due from General Revenues	17,251	20,561
Cash	8,681	187
	$ 25,932	$ 20,748

The accompanying notes and schedules are part of these financial statements.

Department of Justice
Statement of Assets and Liabilities
As at March 31, 1998

	(in thousands)	
	1998	1997
Assets		
Cash (Note 4)	$ 8,681	$ 187
Accounts Receivable (Note 5)	33,364	28,304
Advances (Note 6)	81	95
Capital Assets (Note 7)	2,084	2,724
Due from General Revenues	17,251	20,561
	$ 61,461	$ 51,871
Liabilities		
Accounts Payable and Accrued Liabilities	$ 60,557	$ 51,087
Unearned Revenue	904	784
	$ 61,461	$ 51,871

The accompanying notes and schedules are part of these financial statements.

DEPARTMENT OF JUSTICE

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 1998

($ in thousands)

Note 1 Authority

The Department of Justice operates under the authority of the Government Organization Act, Statutes of Alberta.

Note 2 Purpose

The Department's purpose is to ensure equality and fairness in the administration of justice in Alberta. The Department's goals are: to maintain law and order in Alberta communities; conduct criminal and civil proceedings and carry out the sentences of the court in a fair and effective manner; provide effective legal services to the Government of Alberta; provide access to social programs administered by Alberta Justice; and provide access to legal aid to those persons who are eligible.

Note 3 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with the following accounting policies that have been established by government for all departments. The recommendations of the Public Sector Accounting and Auditing Board of the Canadian Institute of Chartered Accountants are the primary source for the disclosed basis of accounting. Recommendations of the Accounting Standards Board of the Canadian Institute of Chartered Accountants, other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector are used to supplement the recommendations of the Public Sector Accounting and Auditing Board where it is considered appropriate.

Note 3 Summary of Significant Accounting Policies and Reporting Practices (continued)

(a) Reporting Entity

The reporting entity is the Department of Justice, which is part of the Ministry of Justice and for which the Minister of Justice is accountable. These financial statements include the activities of the Motor Vehicle Accident Claims program (a statutory appropriation) but exclude the activities of the Victims of Crime Fund (a regulated fund).

Since certain financial transactions of the Ministry are reported outside the Departmental financial statements, the Ministry financial statements provide a more comprehensive accounting of the financial position and results of the Ministry's operations. The Ministry Annual Report provides a more complete picture of the responsibilities for which the Minister is accountable.

All departments of the Government of Alberta operate within the General Revenue Fund (the Fund). The Fund is administered by the Provincial Treasurer. All revenues collected by the departments are deposited into the Fund and all disbursements made by the departments are paid from the Fund.

(b) Basis of Financial Reporting

Revenues

All revenues are reported on the accrual basis of accounting except for Motor Vehicle Accident Claims judgements debts. Cash received for which goods or services have not been provided by year end is recorded as unearned revenue.

Expenses

Expenses represent the costs of resources consumed during the year on the Department's operations. Expenses include amortization of capital assets.

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year and additional employer contributions for employees' service relating to prior years.

Note 3 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Expenses (continued)

Certain expenses, primarily for buildings, utilities and banking services, incurred on behalf of the Department by other Ministries are not reflected in the Statement of Revenues and Expenses. Certain other expenses, primarily for legal services, incurred by the Department, on behalf of other Ministries are included in the Statement of Revenues and Expenses.

Valuation Adjustments

Valuation adjustments include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to guarantees, indemnities, and deficits of provincial agencies within the Department.

Assets ($ in thousands)

Financial assets of the Department are limited to financial claims, such as advances to and receivables from other organizations, employees and other individuals.

Capital assets of the Department are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $100 and the threshold for all other capital assets is $15. Assets acquired by right are not included.

Due from General Revenues is the difference at fiscal year end between the value of assets held by the Department and its liabilities.

Liabilities

Liabilities include all financial claims payable by the Department at fiscal year end, except long term disability benefits and certain pension benefits, which are reflected in the financial statements of Treasury Department on behalf of all departments.

Note 3 Summary of Significant Accounting Policies and Reporting Practices (continued)

Fair Value of Financial Instruments

Short-term financial instruments are valued at their carrying amounts included on the Statement of Assets and Liabilities, which are reasonable estimates of fair value due to the relatively short period to maturity of the instruments. This approach applies to accounts receivable, accounts payable and accrued liabilities, advances, and due from General Revenues.

(c) Change in Accounting Policy ($ in thousands)

Effective April 1, 1996, valuation adjustments that were previously reported in the financial statements of Treasury on behalf of the Department, are reported by the Department in the Statement of Revenues and Expenses. Net operating results from continuing operations decreased and net contributions from General Revenues increased by $5,033 (1997 - net operating results decreased and net contributions from General Revenues increased by $657) as a result of this change.

Effective April 1,1996, the Department reports liabilities associated with vacation entitlements. These liabilities were previously reported in the financial statements of Treasury. Accounts payable and accrued liabilities have increased and Due from General Revenues has increased by $5,436 (1997 $14,500) as a result of this change.

Effective April 1, 1997, liabilities for personal injury claims under the Motor Vehicle Accident Claims program are accrued when a Court Ordered judgement is received. In prior years, liabilities were accrued when the Assignment of Judgement was executed which was subsequent to the date of the Court Ordered judgement.

Note 4 Cash

Effective April 1, 1997, cash held in bank accounts controlled by the Department that had been previously reported in the financial statements of Treasury on behalf of the Department are reported by the Department in the Statement of Assets and Liabilities.

Note 5 Accounts Receivable ($ in thousands)

	1998			1997
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Government of Canada	$ 8,538	$ -	$ 8,538	$ 8,048
Other	26,841	2,015	24,826	20,256
	$ 35,379	$ 2,015	$ 33,364	$ 28,304

Accounts receivable are unsecured and non-interest bearing.

Note 6 Advances ($ in thousands)

	1998			1997
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Accountable advances	$ 81	$ -	$ 81	$ 95

This represents repayable travel accountable advances.

Note 7 Capital Assets ($ in thousands)

		1998			1997
	Estimated Useful Life	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Equipment	10 years	$ 4,878	$ 3,491	$ 1,387	$ 1,053
Computer hardware and software	5 years	11,930	11,233	697	1,671
Total		$ 16,808	$ 14,724	$ 2,084	$ 2,724

Equipment includes heavy equipment, vehicles, and other equipment.

Note 7 Capital Assets ($ in thousands) (continued)

The change in the net book value is a result of current year capital additions less amortization charges and a write down of $1,258 for the Maintenance Enforcement Program Re-Hosting System investment. The write down is the difference between the total capital investment ($1,647) commencing in 1994/95 and the accumulated amortization ($389) as at March 31, 1997. A comprehensive review of the planned system indicates that it will no longer meet the program's needs making it necessary to write down the investment to nil.

Note 8 Net Contribution from General Revenues

Since revenues generated by the Department are less than the expenses of the Department, additional funding is provided from General Revenues of the Province. Net contributions to the Department from General Revenues together with the revenues reported by the Department provide the total funding for the Department's expenses.

Note 9 Commitments ($ in thousands)

As at March 31, 1998, the Department is committed under contracts, which expire on various dates to March 2002, totaling $242,202. This includes a $231,000 commitment for the Provincial Police Service Agreement and a $64 commitment for a number of operating leases.

The Provincial Police Service Agreement with Canada is a contract for the Royal Canadian Mounted Police to provide policing services to small communities and rural areas in Alberta. The term of this contract is from April 1, 1992 to March 31, 2012. The actual cost of this police service in each of the 1996-97 and 1997-98 fiscal years was approximately $77,000. Under the terms of the agreement, Alberta may terminate the agreement with a two year notice service on March 31, in any year. The three-year commitment, based on the minimum notice period is estimated to be $231,000 as at March 31, 1998, which represents payments for policing services until March 31, 2001.

Note 9 Commitments ($ in thousands) (continued)

The Department leases certain equipment under operating leases, which expire on various dates to December 2001. The aggregated amounts payable for the unexpired terms of these leases are as follows:

Year	
1999	$23
2000	23
2001	12
2002	6
2003	-
Total	$64

Note 10 Contingencies ($ in thousands)

Motor Vehicle Accident Claims Act - Statutory Appropriation

Personal Injury Claims

As at March 31, 1998, unsettled claims amounting to approximately $220,670 (1997 $251,000) had been made for personal injury and property damages under the Motor Vehicle Accident Claims Act which are considered to be contingent liabilities. The Motor Vehicle Accident Claims Act specifies that in order for the Minister to authorize payment of a claim, a Court judgment must be obtained.

The Motor Vehicle Accident Claims program becomes involved in these claims only as a result of the existence of the Motor Vehicle Accident Claims Act. Consistent with this legislated responsibility in respect to persons injured in motor vehicle accidents, the Program is funded each year by a statutory appropriation in an amount equal to the expected amounts which will be established each year as being payable by the Program. In line with this, program liabilities are accrued when a Court Ordered judgement is received and these amounted to $916 at March 31, 1998. In 1997, no estimate was made.

Note 10 Contingencies ($ in thousands) (continued)

Supplementary Medical and Rehabilitation Claims

As at March 31, 1998, the maximum amount that may be payable in respect of these claims pursuant to the limits set in Section 20 of the Motor Vehicle Accident Claims Act is approximately $47,600. The estimated liability for medical expenses for claims filed up to March 31, 1998, is $6,461 and has been recorded as a liability. The unrecorded part of this liability, which is considered to be a contingent liability is $41,139.

Other Claims

At March 31, 1998, the Department was named in various legal actions. The total claimed in specific legal actions amounted to approximately $28,593 (1997 $15,500). No provision has been made in these financial statements for losses related to these legal actions because the likelihood of financial loss to the Department has been assessed as either not determinable or unlikely.

Note 11 Related Party Transactions ($ in thousands)

The Department paid $5,465 (1997 $4,864) to various other Government of Alberta departments, agencies or funds for supplies and/or services during the fiscal year. In addition, the Department paid Payment Systems Corporation, a joint venture partially owned by the Province of Alberta, $441 (1997 $555) for computer processing. The Department provided legal and related services without charge to other Ministries. Accommodation was provided by the Department of Public Works, Supply and Services without charge to the Department but had an estimated value of $44,479 (1997 $47,802). Some central agency services were provided to the Department by other Departments without charge. There were no receivables from or payables to related parties outstanding at year end.

The Department and its employees paid certain taxes and fees set by regulation for permits, licenses, and other rights. These amounts were incurred in the normal course of business and reflect charges applicable to all users.

Note 12 Trust Funds Under Administration ($ in thousands)

The Department administers trust funds that are regulated funds consisting of public money over which the Legislature has no power of appropriation. Because the Province has no equity in the funds and administers them for the purpose of various trusts, they are not included in the Department's financial statements.

Note 12 Trust Funds Under Administration ($ in thousands) (continued)

Trust funds under administration were as follows:

	1998	1997
Public Trustee	$ 309,481	$ 305,299
Various Courts and Sheriff's Offices	35,380	41,202
Fines Distribution Trust	3,319	3,846
Maintenance Enforcement	2,513	1,792
Solicitors Trust	874	1,189
Institutional Trust	284	367
	$ 351,851	$ 353,695

Note 13 Payments Under Agreement ($ in thousands)

The Department has an agreement to disburse the provincial share of net forfeitures from proceeds of crime on behalf of Justice Canada. Proceeds received from Canada under this agreement are in accordance with Section 10 of the federal Seized Property Management Act resulting from the investigation efforts by law enforcement agencies in Alberta.

Disbursements to law enforcement agencies and crime and drug prevention organizations under this agreement are made by the Department under authority of the Financial Administration Act, Section 29.1. Only the amounts received from Justice Canada and not disbursed are reflected in these financial statements.

Amounts payable to law enforcement agencies and crime and drug prevention organizations under this agreement with Justice Canada for the year ended March 31, 1998 are $792 and are reflected in the Statement of Assets and Liabilities.

Note 14 Uncertainty Due to the Year 2000

The year 2000 issue is the result of some computer programs being written using two digits rather than four to define the applicable year. Government computer programs that have date sensitive software may recognize a date using "00" as the year 1900 rather than the year 2000, which could result in miscalculations or system failures. In addition, similar problems may arise in some systems if certain dates in 1999 are not recognized as a valid date or are recognized to represent something other than a date. The effects of the year 2000 issue may be experienced before, on, or after January 1, 2000. If not addressed, the effect on operations and financial reporting may range from minor errors to significant systems failure that could affect the ability to conduct some government operations.

The government is currently working to resolve the potential effect of the year 2000 on the processing of date sensitive information by the government's computerized information systems in a timely manner. The costs of addressing potential problems by modifying , replacing or retiring significant portions of computerized information systems are not expected to have a material adverse effect on the province's financial condition. Despite the government's efforts to address this issue, it is not possible to be certain that all aspects of the year 2000 issue affecting the government, including those related to the efforts of customers, suppliers and other third parties, will be fully resolved.

Note 15 Comparative Figures

Certain 1997 figures have been reclassified to conform to the 1998 presentation.

Note 16 Approval of Financial Statements

The financial statements were approved by the Department of Justice's Senior Financial Officer and the Deputy Minister.

Department of Justice **Schedule 1**
Schedule to the Financial Statements
Schedule of Revenues

For the Year Ended March 31, 1998

(in thousands)

	1998		1997
	Budget	Actual	Actual
Transfers from Government of Canada			
Young Offenders Program	$ 13,600	$ 13,610	$ 13,610
Legal Aid	6,400	6,486	6,395
Federal Inmates Program	1,350	2,376	3,901
Child Support Guidelines	2,250	1,292	-
Native Court Worker Program	765	709	931
Federal/Provincial Firearms Agreement	720	468	553
Other	328	352	571
	25,413	25,293	25,961
Investment Income			
Bank Interest	40	(42)	28
Premiums, Fees and Licences			
Court Fees	15,300	15,898	15,398
Motor Vehicles Accident Claims (MVAC)	12,000	12,667	12,200
Public Trustee Fees	3,285	3,352	3,390
Other	1,325	1,009	1,450
	31,910	32,926	32,438
Other Revenue			
Fines	22,000	22,885	18,735
Maintenance Enforcement Act	10,000	10,693	11,162
Fines - Late Payment Penalty	4,500	6,899	6,953
MVAC Recoveries	2,450	2,702	2,094
Refunds of Expenditures	335	972	675
Miscellaneous	2,162	342	2,769
	41,447	44,493	42,388
Total Revenues	$ 98,810	$ 102,670	$ 100,815

Department of Justice
Schedule to the Financial Statements
Schedule of Budget
For the Year Ended March 31, 1998

Schedule 2

(in thousands)

	1997-98 Estimates [c]	Budget Allocation [d]	Transfer of Responsibility	1997-98 Budget	Voted Supplementary [c]	1997-98 Authorized Budget
Revenues (Schedule 1)						
Transfers from Govt of Canada	$ 25,413	$ -	$ -	$ 25,413	$ -	$ 25,413
Investment Income	40	-	-	40	-	40
Premiums, Fees and Licences	31,910	-	-	31,910	-	31,910
Other Revenue	41,447	-	-	41,447	-	41,447
	98,810	-	-	98,810	-	98,810
Expenses (Schedules 3 and 6)						
Voted: [a]						
Ministry Support Services	12,275	-	-	12,275	166	12,441
Court Services	62,814	-	-	62,814	660	63,474
Legal Services	37,174	-	-	37,174	1,076	38,250
Support for Legal Aid	22,542	-	-	22,542	-	22,542
Public Trustee	6,089	-	-	6,089	132	6,221
Fatality Inquiries	3,486	-	-	3,486	54	3,540
Public Security	92,680	-	-	92,680	158	92,838
Correctional Services	100,302	-	-	100,302	1,450	101,752
	337,362	-	-	337,362	3,696	341,058
Statutory: [b]						
Motor Vehicle Accident Claims	26,750	-	-	26,750	-	26,750
Valuation Adjustments: [b]						
Provision for Doubtful Accounts	-	400	-	400	-	400
Provision for Vacation Pay	-	-	-	-	-	-
	-	400	-	400	-	400
	$ 364,112	$ 400	$ -	$ 364,512	$ 3,696	$ 368,208
Net Contribution from General Revenues	$ 265,302	400	$ -	$ 265,702	$ 3,696	$ 269,398

[a] In the event that actual voted expenses exceed that budgeted, the Department will report net liabilities. In the subsequent year, the Department will need to reduce its actual voted expenses below the amount budgeted to compensate for the net liabilities.

[b] In the event that actual statutory expenses and actual valuation adjustments exceed that budgeted, General Revenues will contribute enough funding to prevent net liabilities in the Department.

[c] Government Estimates were approved on May 29, 1997 and Supplementary Estimates were approved on February 26, 1998.

[d] Valuation adjustment transferred from Treasury.

Department of Justice
Schedule to the Financial Statements **Schedule 3**
Schedule of Expenses Detailed by Object
For the Year Ended March 31, 1998

(in thousands)

	1998 Budget	1998 Actual	1997 Actual
Voted Expenses:			
Salaries, Wages and Employee Benefits (Schedule 5)	$ 179,979	$ 181,377	$ 172,378
Supplies and Services	131,876	133,840	134,665
Grants	24,564	24,087	24,599
Financial Transactions and Other	45	56	48
Amortization of Capital Assets	898	518	913
Total Voted Expenses	$ 337,362	$ 339,878	$ 332,603
Statutory Expenses:			
Financial transactions and other	$ 26,750	$ 26,338	$ 27,115
Total Statutory Expenses	$ 26,750	$ 26,338	$ 27,115

Department of Justice
Schedule to the Financial Statements
Schedule of Purchase of Capital Assets
For the Year Ended March 31, 1998

Schedule 4

(in thousands)

	1997-98 Estimates	Transfers of Responsibility	1997-98 Budget	Voted Supplementary	1997-98 Authorized Budget	1997-98 Actual	1996-97 Actual
Voted							
Court Services							
2.1.2 Court Business Services	$ 1,000	$ -	$ 1,000	$ -	$ 1,000	$ 398	$ -
Legal Services							
3.5.1 Maintenance Enforcement Office	-	-	-	-	-	-	67
Fatality Inquiries							
6.03 Medical Examiner - Head Office	130	-	130	-	130	130	-
Public Security							
7.4.2 Court Security and Prisoner Escort	-	-	-	-	-	50	-
Correctional Services							
8.2.1 Edmonton Remand Centre	-	-	-	-	-	139	-
8.2.2 Fort Sask Correctional Centre	250	-	250	-	250	-	-
8.2.4 Calgary Correctional Centre	100	-	100	-	100	-	-
8.2.5 Calgary Remand Centre	300	-	300	-	300	91	-
8.2.7 Peace River Correctional Centre	-	-	-	-	-	38	133
8.2.10 Grande Prairie Young Offender	-	-	-	-	-	6	-
8.2.12 Edmonton Young Offender Centre	-	-	-	-	-	34	-
8.2.15 Calgary Young Offender Centre	-	-	-	-	-	169	74
8.2.17 Lethbridge Young Offender Centre	-	-	-	-	-	81	-
	$ 1,780	$ -	$ 1,780	$ -	$ 1,780	$ 1,136	$ 274

Department of Justice Schedule 5

Schedule to the Financial Statements

Schedule of Salaries and Benefits [1]

For the Year Ended March 31, 1998

	1998				1997	
	Number of Individuals[2]	Salaries[3]	Benefits and Allowances[4]	Total	Number of Individuals[2]	Total[3]
Senior Official:						
Deputy Minister[5]	1	$ 117,814	$ 16,261	$ 134,075	1	$ 126,602
Executives[6]:						
Assistant Deputy Minister, Civil Law	1	99,164	15,644	114,808	1	111,160
Assistant Deputy Minister, Correctional Services	1	99,164	15,674	114,838	1	102,540
Assistant Deputy Minister, Court Services	1	137,435	5,685	143,120	1	134,090
Assistant Deputy Minister, Criminal Justice	1	99,164	16,080	115,244	1	103,518
Assistant Deputy Minister, Public Security	1	97,595	14,957	112,552	1	101,319
Chief Legislative Council	1	137,435	25,339	162,774	1	129,256
Chief Medical Examiner	1	144,218	8,347	152,565	1	135,939
Executive Director, Administration	1	86,372	17,605	103,977	1	95,090
Executive Director, Human Resources	1	79,758	27,561	107,319	1	80,159
Public Trustee	1	99,164	16,244	115,408	1	104,217
Legal counsel (Average 1998 $89,202, 1997 $72,076)	241	18,514,450	2,983,384	21,497,834	235	16,937,910
Managers (Average 1998 $62,729, 1997 $63,004)	240	12,575,878	2,479,240	15,055,118	239	15,057,918
Other salaried staff (Average 1998 $37,272, 1997 $35,759)	3,156	100,570,692	17,062,736	117,633,428	3,152	112,710,914
Wage staff[7]		9,363,987	1,699,311	11,063,298		11,246,664
Fees paid to members of boards/commissions						
Crimes Compensation Board	3	105,178	-	105,178	2	123,853
Board of Review	8	75,737	-	75,737	7	77,172
Law Enforcement Review Board	4	108,642	-	108,642	4	106,979
Lay Benchers of Law Society	3	19,667	-	19,667	3	16,238
Other	17	43,165	-	43,165	14	27,674
Judiciary		12,621,493	1,776,760	14,398,253		14,188,543
Other		-	-	-		660,245
		$ 155,196,172	$ 26,180,828	$ 181,377,000		$ 172,378,000

[1] The salaries and benefits information includes the remuneration of all Department employees and members of the Crimes Compensation Board, Board of Review, Law Enforcement Review Board, Alberta Law Foundation Ministry Appointees, Fatality Review Board, Judicial Council and Lay Benchers of Law Society. This report includes the salaries and benefits paid to the Judiciary only to facilitate reconciliation to total salaries, wages and employee benefits expense (Schedule 3).

[2] The number of individuals represents the weighted average of occupied positions, except in the case of members of boards and commissions.

[3] Salaries include gross pay and supplementary payments to employees such as shift differential, and paid overtime. Honoraria or other fees paid to members of boards are also included. For 1998, Achievement Awards ($1,581,000 for management and $2,115,000 for non-management), Compensation Reduction Payments ($250,548 for management and $319,503 for non-management) and Retro-Active Pay ($761,040 for management and $1,454,578 for non-management) are included.

[4] Benefits and allowances include employer contributions for life insurance, pension, health care, dental, group life insurance, long-term disability plan, workers' compensation, and any vacation payouts.

[5] The Deputy Minister is provided with an automobile. The value of this benefit is not included in benefits and allowances.

[6] For 1998, the benefits and allowances include the payout of vacation entitlements for prior years for the Assistant Deputy Minister, Civil Law $Nil (1997 $6,874), the Assistant Deputy Minister, Court Services $Nil (1997 $5,053), Executive Director, Administration $3,194 (1997 $1,588), Chief Legislative Council $19,319 (1997 $Nil), Executive Director, Human Resources $14,272 (1997 $Nil).

[7] Wage staff represents both full and part-time employees paid on an hourly basis.

Department of Justice **Schedule 6**

Schedule to the Financial Statements

Schedule of Comparison of Expenses by Element to Authorized Budget

As at March 31, 1998

DEPARTMENT SUMMARY
(in thousands)

OPERATING EXPENSES

Program		1997-98 Budget	1997-98 Voted Supplementary	1997-98 Authorized Budget	1997-98 Actuals	Unexpended (Over Expended)
1	Ministry Support Services	$ 12,275	$ 166	$ 12,441	$ 12,315	$ 126
2	Court Services	62,814	660	63,474	63,608	(134)
3	Legal Services	37,174	1,076	38,250	40,466	(2,216)
4	Support for Legal Aid	22,542	-	22,542	22,542	-
5	Public Trustee	6,089	132	6,221	6,240	(19)
6	Fatality Inquiries	3,486	54	3,540	3,503	37
7	Public Security	92,680	158	92,838	92,350	488
8	Correctional Services	100,302	1,450	101,752	98,854	2,898
Total Voted		337,362	3,696	341,058	339,878	1,180
Statutory	Motor Vehicle Accident Claims	26,750	-	26,750	26,338	412
Total Voted and Statutory		$ 364,112	$ 3,696	$ 367,808	$ 366,216	$ 1,592

PROGRAM 1 - MINISTRY SUPPORT SERVICES
(in thousands)

OPERATING EXPENSES

Reference	Element	1997-98 Budget	1997-98 Voted Supplementary	1997-98 Authorized Budget	1997-98 Actuals	Unexpended (Over Expended)
1.01	Minister's Office	$ 352	$ 5	$ 357	$ 305	$ 52
1.02	Deputy Minister's Office	398	11	409	379	30
1.03	Administrative Services	3,880	34	3,914	4,050	(136)
1.05	Human Resource Services	1,973	37	2,010	2,030	(20)
1.06	Financial Services	3,060	48	3,108	3,396	(288)
1.07	Corporate Support Services	751	14	765	846	(81)
1.08	Systems and Information Service	1,861	17	1,878	1,309	569
TOTAL PROGRAM		$ 12,275	$ 166	$ 12,441	$ 12,315	$ 126

PROGRAM 2 - COURT SERVICES
(in thousands)

OPERATING EXPENSE

Reference	Element	1997-98 Budget	1997-98 Voted Supplementary	1997-98 Authorized Budget	1997-98 Actuals	Unexpended (Over Expended)
2.1	**Management Services**					
2.1.1	General Administration	$ 1,596	$ 35	$ 1,631	$ 1,663	$ (32)
2.1.2	Court Business Services	1,562	12	1,574	2,627	(1,053)
2.1.3	Chief Provincial Judge's Office	926	7	933	839	94
2.1.4	Law Libraries	3,082	22	3,104	3,176	(72)
	Total Sub-program	7,166	76	7,242	8,305	(1,063)
2.2	**Court Operations - Calgary Region**					
2.2.2	Calgary-Court of Queen's Bench	4,627	66	4,693	4,636	57
2.2.3	Calgary-Provincial Criminal	4,585	32	4,617	4,566	51
2.2.4	Calgary Provincial Civil	3,048	37	3,085	2,880	205
2.2.5	Calgary Family and Youth	1,998	11	2,009	1,998	11
2.2.6	Calgary Court Reporters	1,585	26	1,611	1,571	40
2.2.7	Calgary - Sheriff	132	3	135	126	9
2.2.8	Calgary - Regional Support	2,100	23	2,123	2,431	(308)
2.2.9	Canmore	362	3	365	420	(55)
	Total Sub-program	18,437	201	18,638	18,628	10
2.3	**Court Operations - Edmonton Region**					
2.3.1	Edmonton-Court of Appeal	1,933	31	1,964	1,892	72
2.3.2	Edmonton-Court of Queens Benc	5,144	71	5,215	4,869	346
2.3.3	Edmonton Provincial Criminal	4,306	28	4,334	4,296	38
2.3.4	Edmonton Provincial Civil	2,708	24	2,732	2,459	273
2.3.5	Edmonton Family & Youth	1,789	13	1,802	1,838	(36)
2.3.6	Edmonton Court Reporters	2,009	32	2,041	1,834	207
2.3.7	Edmonton - Sheriff	347	8	355	337	18
2.3.8	Edmonton - Regional Support	2,074	25	2,099	2,539	(440)
	Total Sub-program	20,310	232	20,542	20,064	478
2.4	**Court Operations - Northern Region**					
2.4.1	Grande Prairie	1,180	11	1,191	1,146	45
2.4.2	Peace River	732	5	737	709	28
2.4.4	Wetaskiwin	1,094	13	1,107	1,082	25
2.4.5	Fort McMurray	616	6	622	617	5
2.4.6	St. Paul	900	8	908	997	(89)
2.4.7	High Level	186	2	188	176	12
2.4.8	Hinton	435	4	439	429	10
2.4.9	Stony Plain	1,131	7	1,138	958	180
2.4.10	Sherwood Park	333	3	336	343	(7)
2.4.11	St. Albert	849	6	855	870	(15)
2.4.12	Fort Saskatchewan	352	2	354	332	22
2.4.13	High Prairie	587	4	591	586	5
2.4.14	Vermilion	418	4	422	422	0
2.4.15	Camrose	290	3	293	294	(1)
2.4.16	Leduc	968	7	975	792	183
	Total Sub-program	10,071	85	10,156	9,753	403
2.5	**Court Operations - Southern Region**					
2.5.1	Lethbridge	2,510	22	2,532	2,493	39
2.5.2	Red Deer	2,690	26	2,716	2,780	(64)
2.5.3	Drumheller	437	4	441	435	6
2.5.4	Fort Macleod	221	3	224	195	29
2.5.6	Medicine Hat	972	11	983	955	28
	Total Sub-program	6,830	66	6,896	6,858	38
TOTAL PROGRAM		$ 62,814	$ 660	$ 63,474	$ 63,608	$ (134)

PROGRAM 3 - LEGAL SERVICES
(in thousands)

OPERATING EXPENSES

Reference	Element	1997-98 Budget	1997-98 Voted Supplementary	1997-98 Authorized Budget	1997-98 Actuals	Unexpended (Over Expended)
3.1	**Law Reform**					
3.1.1	Alberta Law Reform Institute	$ 320	$ -	$ 320	$ 320	$ -
3.2	**Legislative Counsel**					
3.2.1	Legislative Counsel Office	1,368	43	1,411	1,336	75
3.3	**Civil Division**					
3.3.1	Legal Research & Analysis	193	7	200	189	11
3.3.2	Constitutional & Energy Law	719	24	743	932	(189)
3.3.3	Civil Law Division	8,361	291	8,652	9,208	(556)
	Total Sub-program	9,273	322	9,595	10,329	(734)
3.4	**Criminal Justice Division**					
3.4.1	Board Of Review	176	1	177	157	20
3.4.2	Executive Office	871	25	896	1,086	(190)
3.4.3	General Prosecutions	15,372	519	15,891	16,611	(720)
3.4.4	Appeals & Criminal Law Policy	969	34	1,003	1,119	(116)
3.4.5	Special Prosecutions	1,050	42	1,092	1,199	(107)
3.4.6	Computing Services	1,059	1	1,060	1,266	(206)
	Total Sub-program	19,497	622	20,119	21,438	(1,319)
3.5	**Maintenance Enforcement**					
3.5.1	Maintenance Enforcement Office	4,466	71	4,537	5,823	(1,286)
3.6	**Child Support Initiatives**					
3.6.1	Child Support Initiatives	2,250	18	2,268	1,220	1,048
TOTAL PROGRAM		$ 37,174	$ 1,076	$ 38,250	$ 40,466	$ (2,216)

PROGRAM 4 - SUPPORT FOR LEGAL AID
(in thousands)

OPERATING EXPENSES

Reference	Element	1997-98 Budget	1997-98 Voted Supplementary	1997-98 Authorized Budget	1997-98 Actuals	Unexpended (Over Expended)
4.0.1	Legal Aid Plan	$ 22,542	$ -	$ 22,542	$ 22,542	$ -

PROGRAM 5 - PUBLIC TRUSTEE
(in thousands)

OPERATING EXPENSES

Reference	Element	1997-98 Budget	1997-98 Voted Supplementary	1997-98 Authorized Budget	1997-98 Actuals	Unexpended (Over Expended)
5.0.1	Public Trustee	$ 6,089	$ 132	$ 6,221	$ 6,240	$ (19)

PROGRAM 6 - FATALITY INQUIRIES
(in thousands)

OPERATING EXPENSES

Reference	Element	1997-98 Budget	1997-98 Voted Supplementary	1997-98 Authorized Budget	1997-98 Actuals	Unexpended (Over Expended)
6.0.1	Medical Examiner - Calgary	$ 1,215	$ 16	$ 1,231	$ 1,161	$ 70
6.0.2	Medical Examiner - Edmonton	1,112	16	1,128	1,131	(3)
6.0.3	Medical Examiner - Head Office	1,159	22	1,181	1,211	(30)
TOTAL PROGRAM		$ 3,486	$ 54	$ 3,540	$ 3,503	$ 37

PROGRAM 7 - PUBLIC SECURITY
(in thousands)

OPERATING EXPENSES

Reference	Element	1997-98 Budget	1997-98 Voted Supplementary	1997-98 Authorized Budget	1997-98 Actuals	Unexpended (Over Expended)
7.1	**Program Support**					
7.1.1	Program Support Services	$ 946	$ 25	$ 971	$ 1,094	$ (123)
7.1.2	Law Enforcement Review Board	171	1	172	177	(5)
	Total Sub-program	1,117	26	1,143	1,271	(128)
7.2	**Crime Prevention**					
7.2.1	Crime Prevention	25	-	25	14	11
7.2.2	Provincial Policing-RCMP	78,333	-	78,333	77,206	1,127
7.2.3	First Nations Policing	3,418	-	3,418	3,926	(508)
	Total Sub-program	81,776	-	81,776	81,146	630
7.3	**Federal Gun Control**					
7.3.1	Administration	474	6	480	406	74
7.4	**Provincial Security Services**					
7.4.1	Protection Services	2,214	26	2,240	1,947	293
7.4.2	Court Security & Prisoner Escort	5,755	96	5,851	6,330	(479)
	Total Sub-program	7,969	122	8,091	8,277	(186)
7.5	**Support for Victims of Crime**					
7.5.1	Victims Administration	218	4	222	262	(40)
7.5.2	Compensation to Victims	1,126	-	1,126	988	138
	Total Sub-program	1,344	4	1,348	1,250	98
TOTAL PROGRAM		$ 92,680	$ 158	$ 92,838	$ 92,350	$ 488

PROGRAM 8 - CORRECTIONAL SERVICES
(in thousands)

OPERATING EXPENSES

Reference	Element	1997-98 Budget	1997-98 Voted Supplementary	1997-98 Authorized Budget	1997-98 Actuals	Unexpended (Over Expended)
8.1	**Program Support**					
8.1.1	Administration	$ 3,739	$ 109	$ 3,848	$ 4,269	$ (421)
8.2	**Institutional Services**					
8.2.1	Edmonton Remand Centre	12,856	205	13,061	13,439	(378)
8.2.2	Fort Saskatchewan Corr Centre	11,068	180	11,248	11,326	(78)
8.2.4	Calgary Correctional Centre	7,651	114	7,765	7,780	(15)
8.2.5	Calgary Remand Centre	9,240	138	9,378	9,128	250
8.2.6	Bow River Correctional Centre	1,505	23	1,528	1,491	37
8.2.7	Peace River Correctional Centr	4,721	71	4,792	4,482	310
8.2.9	Lethbridge Correctional Centre	7,020	110	7,130	6,834	296
8.2.10	Grande Prairie Young Off Centr	968	14	982	947	35
8.2.12	Edmonton Young Off Centre	6,126	95	6,221	6,019	202
8.2.13	Medicine Hat Remand Centre	2,053	37	2,090	2,104	(14)
8.2.15	Calgary Young Off Centre	5,899	92	5,991	6,061	(70)
8.2.17	Lethbridge Young Off Centre	681	11	692	675	17
8.2.18	Red Deer Remand Centre	2,886	45	2,931	2,831	100
	Total Sub-program	72,674	1,135	73,809	73,117	692
8.3	**Community Correctional Services**					
8.3.1	Community Corrections	10,941	182	11,123	10,378	745
8.3.3	Young Offender Services	1,187	24	1,211	1,186	25
	Total Sub-program	12,128	206	12,334	11,564	770
8.4	**Purchased Community Services**					
8.4.1	Community Residential Centres	6,358	-	6,358	4,706	1,652
8.4.2	Native Courtworkers	2,969	-	2,969	2,823	146
8.4.3	Community Service Contracts	2,434	-	2,434	2,375	59
	Total Sub-program	11,761	-	11,761	9,904	1,857
TOTAL PROGRAM		$ 100,302	$ 1,450	$ 101,752	$ 98,854	$ 2,898

STATUTORY PROGRAMS
(in thousands)
Appropriation not voted by the Legislative Assembly
pursuant to the Motor Vehicle Accident Claims Act

OPERATING EXPENSES

	1997-98 Budget	1997-98 Voted Supplementary	1997-98 Authorized Budget	1997-98 Actuals	Unexpended (Over Expended)
Motor Vehicle Accident Claims	$ 26,750	$ -	$ 26,750	$ 26,338	$ 412

VICTIMS OF CRIME FUND

(FORMERLY VICTIMS' PROGRAMS ASSISTANCE FUND)

ANNUAL REPORT
1997-1998

Financial Statements

March 31, 1998

Auditor's Report 111
Statement of Revenues and Expenses 112
Statement of Changes in Financial Position 113
Statement of Assets, Liabilities and Net Assets 114
Notes to the Financial Statements 115

AUDITOR GENERAL
Alberta

AUDITOR'S REPORT

To the Minister of Justice and Attorney General

I have audited the statement of assets, liabilities and net assets of the Victims of Crime Fund (formerly Victims' Programs Assistance Fund) as at March 31, 1998, and the statements of revenues, expenses and net assets and changes in financial position for the year then ended. These financial statements are the responsibility of the management of the Fund. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

The Fund is required to follow the corporate government accounting policies and reporting practices established by Alberta Treasury, including the following policy that is an exception from generally accepted accounting principles. As disclosed in Note 6, certain administration costs incurred in the operation of the Fund have not been included in expenses. These costs, estimated at $119,000, are recorded by the Department of Justice who paid the expenses on behalf of the Fund.

In my opinion, except for the effect of the failure to record certain costs as described in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the Fund as at March 31, 1998, and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles.

Peter Valentine FCA
Auditor General

Edmonton, Alberta
May 22, 1998

Victims of Crime Fund
Statement of Revenues and Expenses
For the Year Ended March 31, 1998

	(in thousands)		
	1998		1997
	Budget (Note 7)	Actual	Actual
Revenues			
Investment Income			
Bank Interest	$ 65	$ 46	$ 61
Other Revenue			
Federal Fine Surcharge	300	706	340
Provincial Fine Surcharge	4,135	6,195	-
Expenditure Refunds	-	22	-
	4,500	6,969	401
Expenses			
Program Costs			
Grants to Organizations	4,380	679	719
Financial Benefits	-	1,598	-
Administration Costs	120	157	12
	4,500	2,434	731
Valuation Adjustments			
Provision for Doubtful Accounts	-	240	-
	4,500	2,674	731
Net Results from Operations	$ -	$ 4,295	$ (330)

The accompanying notes are part of these financial statements.

Victims of Crime Fund
Statement of Changes in Financial Position
For the Year Ended March 31, 1998

	(in thousands) 1998	1997
Operating Transactions:		
Net Results from Operations	$ 4,295	$ (330)
Valuation Adjustments	240	-
Decrease (Increase) in Accounts Receivable	(4,059)	5
Increase in Accounts Payable and Accrued Liabilities	88	82
Net Cash Provided (Used) by Operations	564	(243)
Cash at Beginning of Year	1,114	1,357
Cash at End of Year	$ 1,678	$ 1,114

The accompanying notes are part of these financial statements.

Victims of Crime Fund
Statement of Assets, Liabilities, and Net Assets
As at March 31, 1998

	(in thousands) 1998	1997
Assets		
Cash (Note 4)	$ 1,678	$ 1,114
Accounts Receivable (Note 5)	3,846	27
	$ 5,524	$ 1,141
Liabilities		
Accounts Payable	$ 230	$ 142
Net Assets		
Net Assets, Beginning of Year	999	1,329
Net Operating Results from Operations	4,295	(330)
Net Assets, End of Year	5,294	999
	$ 5,524	$ 1,141

The accompanying notes are part of these financial statements.

VICTIMS OF CRIME FUND

(FORMERLY VICTIMS' PROGRAMS ASSISTANCE FUND)

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 1998

($ in thousands)

Note 1 Authority

The Victims of Crime Fund (the "Fund"), a regulated fund administered by the Provincial Treasurer, operates under the authority of the Victims of Crime Act, Statutes of Alberta, Chapter V-3.3.

The Victims' Programs Assistance Fund is continued as the Victims of Crime Fund. The Victims' Programs Assistance Act was repealed and certain other provisions of the Victims of Crime Act were proclaimed in force effective August 1, 1997. The Criminal Injuries Compensation Act was repealed and the remaining provisions of the Victims of Crime Act were proclaimed in force effective November 1, 1997.

Note 2 Purpose

The purpose of the Fund is to provide grants to victims' programs and to pay benefits to victims, or their dependants, who suffer injury or death as the result of a criminal offence specified in the regulations of the Victims of Crime Act, using provincial and federal fine surcharge revenues.

Note 3 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with the following accounting policies:

(a) Reporting Entity

The reporting entity is the Victims of Crime Fund, which is part of the Ministry of Justice and for which the Minister of Justice is accountable.

Note 3 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting

Revenues

All revenues are reported on the accrual basis of accounting. In 1996-97 the amount of unpaid federal fine surcharges was not accrued due to calculation uncertainties at the time. In 1997-98 it was possible to make an accounting estimate of federal fine surcharges unpaid to March 31, 1998 and these are now reflected in the financial statements.

Expenses

Expenses represent grants to victims' organizations, financial benefits to individual victims of crime and administration of victim programs. Grants are recorded as expense when approved by the Minister of Justice and all terms and conditions of eligibility for payment have been met. Financial benefits are recorded as expense when the obligation to pay is likely and the amount payable on applications submitted can be reasonably estimated.

Assets

Financial assets of the Fund are limited to cash and accounts receivable.

Liabilities

Liabilities represent all financial claims payable by the Fund at fiscal year end.

Note 4 Cash

Cash consists of deposits in the Consolidated Cash Investment Trust Fund (CCITF) of the Province of Alberta. CCITF is being managed with the objective of providing competitive interest income to depositors while maintaining maximum security and liquidity of depositors' capital. The portfolio is comprised of high-quality short-term and mid-term fixed income securities with a maximum term to maturity of five years. The Fund earns interest on its daily cash balance at the average rate of earnings of the CCITF, which may vary depending on prevailing market interest rates.

Note 5 Accounts Receivable ($ in thousands)

	1998			1997
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Accounts Receivable	$ 4,086	$ 240	$ 3,846	$ 27

Accounts receivable are unsecured and non-interest bearing.

Note 6 Administrative Costs ($ in thousands)

Certain administrative costs have not been included in the Fund's expenses. These administrative costs estimated at $119 (1997 $40) are reported as costs of the Department of Justice.

Note 7 Budget

The budget was approved by the Minister of Justice on April 12, 1997 and was included in the 1997-98 Government Estimates.

Note 8 Commitments ($ in thousands)

The Fund is obligated to provide monthly support payments to certain individuals as a result of awards handled by the Crimes Compensation Board prior to the repeal of the Criminal Injuries Compensation Act. The estimated amounts payable for these support payments are as follows:

Year	
1999	$746
2000	746
2001	746
2002	746
2003	746
Total	$ 3,730

Note 9 Contingent Liabilities ($ in thousands)

As at March 31, 1998, the Fund had received applications from individuals for financial benefits with sufficient information to evaluate eligibility and assess an amount owed within the limits set in the regulations to the Victims of Crime Act. A liability of $72 has been recorded for these applications. The remaining applications had insufficient information to determine eligibility or an amount likely to be paid and have been considered a contingent liability for which an amount cannot be reasonably estimated.

Note 10 Uncertainty Due to the Year 2000

The year 2000 issue is the result of some computer programs being written using two digits rather than four to define the applicable year. Government computer programs that have date sensitive software may recognize a date using "00" as the year 1900 rather than the year 2000, which could result in miscalculations or system failures. In addition, similar problems may arise in some systems if certain dates in 1999 are not recognized as a valid date or are recognized to represent something other than a date. The effects of the year 2000 issue may be experienced before, on, or after January 1, 2000. If not addressed, the effect on operations and financial reporting may range from minor errors to significant systems failure that could affect the ability to conduct some government operations.

The government is currently working to resolve the potential effect of the year 2000 on the processing of date sensitive information by the government's computerized information systems in a timely manner. The costs of addressing potential problems by modifying , replacing or retiring significant portions of computerized information systems are not expected to have a material adverse effect on the province's financial condition. Despite the government's efforts to address this issue, it is not possible to be certain that all aspects of the year 2000 issue affecting the government, including those related to the efforts of customers, suppliers and other third parties, will be fully resolved.

Note 11 Approval of Financial Statements

These financial statements were approved by the Ministry of Justice's Senior Financial Officer and the Deputy Minister.

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